



सत्यमेव जयते

**Report of the
Comptroller and Auditor General of India
on
Social, General and Economic Sectors
(Non-Public Sector Undertakings)
for the year ended 31 March 2018**



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

Government of National Capital Territory of Delhi
Report No. 1 of the year 2020

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PREFACE

This Report of the Comptroller and Auditor General of India for the year ended March 2018 has been prepared for submission to the Lieutenant Governor of the National Capital Territory of Delhi under Section 48 of the Government of National Capital Territory of Delhi Act, 1991 for being laid before the Legislative Assembly of the National Capital Territory of Delhi.

The Report contains significant findings arising from the performance audit and compliance audit of the Departments of the Government of National Capital Territory of Delhi under Social, General and Economic Sectors (Non-Public Sector Undertakings).

The instances mentioned in the Report are those which came to notice in the course of test audit for the period 2017-18 as well as those which came to notice in earlier years but could not be reported in the previous Audit Reports. Instances relating to the period subsequent to 2017-18 have also been included, wherever necessary.

The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

Overview

OVERVIEW

This Report contains one performance audit viz. ‘Schemes for providing Potable Water Supply and Sewerage Facilities in Unauthorized Colonies’ and 10 paragraphs with financial implication of ₹ 264.29 crore relating to excess expenditure on deployment of excess security guards, avoidable payment of income tax and interest thereon, avoidable payment of interest, idling of infrastructure etc.

Some of the major findings detailed in the Report are summarised below.

PERFORMANCE AUDIT

Department of Urban development

Schemes for providing Potable Water Supply and Sewerage Facilities in Unauthorised Colonies

The Performance Audit covers two schemes namely “Providing potable water supply in unauthorised colonies” and “Providing sewerage facilities in unauthorised colonies” being implemented by Delhi Jal Board, for which funds are provided by the Urban Development Department, Government of National Capital Territory of Delhi in the form of grants-in-aid. The significant audit findings are summarised below.

Grants-in-aid received for development of capital assets were irregularly diverted and utilised for other purposes, without the approval of the Urban Development Department.

(Paragraph 2.1.6)

In the absence of a strategic plan to provide piped water supply to all 1,797 unauthorised colonies by December 2018 as envisaged by Government of National Capital Territory of Delhi, only 353 unauthorised colonies were provided piped water supply during 2013-18 and as of March 2018, 567 unauthorised colonies were still dependent on tube-wells/hand-pumps and water supplied through water tankers by Delhi Jal Board for their potable water requirements.

(Paragraph 2.1.7)

Works of laying water and sewer lines were planned and executed by divisions in an uncoordinated manner, resulting in expenditure incurred remaining unfruitful and the intended benefits undelivered.

(Paragraphs 2.1.7.1 and 2.1.8.1)

Out of 34 works of Phase-I of Sewerage Master Plan for Delhi - 2031, to be completed by 2016, only 11 works were completed by July 2018 with 20 works being in progress and three still at pre-execution stage. Out of 1,797 unauthorised colonies, 1,573 unauthorised colonies (88 per cent) were not provided with sewerage facilities as of March 2018 and sewage generated

by these 1,573 unauthorised colonies flowed into storm water drains and eventually into River Yamuna in its untreated form.

(Paragraph 2.1.8)

Delhi Jal Board planned and executed water supply and sewer line works in unauthorised colonies situated on land belonging to Forest Department and Archaeological Survey of India, in violation of the Urban Development Department guidelines for development works in unauthorised colonies.

(Paragraphs 2.1.7.2 and 2.1.8.2)

There were deficiencies in preparation and approval of estimates, delay in award and execution of works, selection of ineligible bidders and extension of undue benefit to contractors.

(Paragraphs 2.1.9 and 2.1.10)

Out of 657 water tankers used for water supply by Delhi Jal Board, 250 tankers (38 *per cent*) operated without monitoring equipment such as GPS, water level meters/flow meters/chlorine meters etc. as envisaged by the Delhi Jal Board under the Water Tanker Distribution Management System project.

(Paragraph 2.1.11)

COMPLIANCE AUDIT**Non-recovery of ₹ 61 lakh from the Bank**

Failure of the Department of Food, Supplies and Consumer Affairs to recover unauthorised payment from the Bank resulted in an amount of ₹ 61 lakh remaining un-recouped to Government account. The Department also suffered loss of interest of ₹ 12 lakh.

(Paragraph 3.1)

Irregular award of contracts of ₹ 1.39 crore

Rejection of tenders on the basis of a minimum service charges criterion which was adopted after receipt of tenders in contravention of GFR provisions and Central Vigilance Commission directions and on the basis of miscalculation of service tax which is a statutory levy and payable as per actuals vitiated the sanctity of the tender system and led to irregular award of contracts amounting to ₹ 1.39 crore.

(Paragraph 3.2)

Excess expenditure of ₹ 1.66 crore on deployment of excess guards

Engagement of higher number of outsourced security guards, in contravention of Government Orders/ Department of Health and Family Welfare Guidelines resulted in excess expenditure of ₹ 1.66 crore.

(Paragraph 3.3)

Advertisements by the Government of NCT of Delhi

Non-routing of classified advertisements by Public Sector Undertakings through their administrative departments resulted in non-availing of Directorate of Advertising and Visual Publicity rates; and high expenditure on advertisement of foundation stone-laying ceremony of a project when seen against the estimated cost of the project.

(Paragraph 3.4)

Avoidable payment of income tax of ₹ 49.13 crore and interest of ₹ 48.51 crore thereon

Due to poor utilisation of its income for its mandated activities and non-payment of tax in time, the Delhi Building and Other Construction Workers' Welfare Board had to pay income tax and interest amounting to ₹ 97.64 crore which should instead have been spent on welfare activities, besides depriving the building and other construction workers from much needed social security and other welfare measures.

(Paragraph 3.5)

Delay in issuing of Supplementary Awards resulted in avoidable payment of interest of ₹ 2.03 crore

Delay in complying with the procedures laid down in the Land Acquisition Act, 1894, for providing timely compensation to the landowners, resulted in payment of avoidable interest of ₹ 21.07 lakh and interest liability of ₹ 181.84 lakh.

(Paragraph 3.6)

Non-completion of Old Age Homes and also avoidable payment of ₹ 1.30 crore to Delhi Development Authority for extension of time for construction

Frequent revision in the drawings and design for Rohini Old Age Home has resulted in the Old Age Home being only at the tendering stage even after 21 years of acquiring land. In case of Kanti Nagar Old Age Home, frequent changes of executing agencies have resulted in the Old Age Home not being completed even after 12 years of taking possession of the land. The delay also resulted in avoidable payment of composition fee amounting to ₹ 130.14 lakh to Delhi Development Authority apart from depriving the elderly people of Delhi from the much needed social security of staying in the Old Age Homes.

(Paragraph 3.7)

Affordable Housing projects for urban poor under Basic Services to the Urban Poor - JNNURM

The sub-mission “Basic Services to the Urban Poor” of the Central Scheme “Jawaharlal Nehru National Urban Renewal Mission” had a component of projects for affordable housing for urban poor. The scheme was initially for a period of seven years from 2005-06 to 2011-12. However, it was extended up to 31 March 2017 for completion of those projects, which had been sanctioned up to March 2012.

The implementation of housing projects suffered from lack of planning from the conceptualization stage itself, as all the 14 housing projects of Delhi State Industrial and Infrastructure Development Corporation Limited and Delhi Urban Shelter Improvement Board were confined to only four districts of Delhi even though 461 of the 675 targeted Jhuggi Jhopri clusters were in the remaining seven districts of Delhi. Also, instead of small clusters evenly spread all over Delhi, housing projects with large number of Dwelling Units were planned.

Delhi State Industrial and Infrastructure Development Corporation Limited and Delhi Urban Shelter Improvement Board executed 14 housing projects with 52,344 Dwelling Units but four of these 14 projects with 24,000 Dwelling Units remained incomplete even after more than one year of closure

of the scheme, resulting in the expenditure of ₹ 755.26 crore incurred on these four projects remaining infructuous.

Further, GNCT of Delhi could identify only 5,483 beneficiaries, out of which only 1,864 beneficiaries were rehabilitated to the dwelling units constructed under the scheme till August 2018. Thus, due to delay in identifying beneficiaries, more than 90 *per cent* of the 28,344 Dwelling Units completed till June 2018 at a cost of ₹ 1,101.36 crore were lying unallotted, unoccupied and vulnerable to deterioration.

The objectives of the scheme remained unfulfilled even after 10 years of launching of the scheme and one year of its closure. This was mainly due to deficiency in planning and execution of the projects and poor progress in identification of beneficiaries.

(Paragraph 3.8)

Irregularities and deficiencies in procurement of equipment, items and materials for Solid Waste Management under Swachh Bharat Mission

Deficiencies in procurement of equipment under the Scheme included delay in release of funds to Implementing agencies, utilization of capital grants on hiring of trucks, tippers etc., ordering without ensuring availability of space to store the materials, blocking of funds due to release of full payment as advance without withholding the required 10 *per cent*, non-levy of compensation charges amounting to ₹ 0.86 crore in case of delayed or short supply of materials, and delay in fabrication of truck chassis after their delivery.

(Paragraph 3.9)

Deprivation of affordable and safe accommodation to working women and blockade of funds amounting to ₹ 97.53 lakh

Non-construction of Working Women Hostel by the Department of Women and Child Development even after 16 years of taking possession of the land (December 2002) resulted in blockade of funds of ₹ 97.53 lakh besides depriving many working women of safe, dignified and affordable hostel accommodation.

(Paragraph 3.10)

Chapter-I

Introduction

Chapter-I Introduction

1.1 Budget profile

There are 79 departments and 67 autonomous bodies under the Government of National Capital Territory of Delhi (GNCTD). There are also 15 Non-Government organizations which received grants-in-aid in excess of ₹ 25 lakh in 2017-18 (**Appendix 1.1**). The position of budget estimates and actuals there against of the GNCTD during 2013-18 is given in **Table 1.1**.

Table 1.1: Budget and expenditure of the GNCTD during 2013-18

(₹ in crore)

Particulars	2013-14		2014-15		2015-16		2016-17		2017-18	
	Budget estimates	Actuals	Budget estimates	Actuals	Budget estimates	Actuals	Budget estimates	Actuals	Budget estimates	Actuals
Revenue Expenditure										
General services	5,792.69	5,597.48	6,763.15	5,983.40	7,055.66	6,427.12	7,210.04	6,590.28	7,851.52	7,195.96
Social services	13,134.81	12,314.54	14,800.52	13,306.11	16,193.02	14,817.83	18,431.53	16,578.89	21,231.39	19,602.11
Economic services	3,783.08	3,650.00	3,573.12	3,318.99	4,302.65	4,138.71	5,412.43	5,111.41	6,149.61	5,862.01
Grants-in-aid and contributions	804.50	804.50	900.99	900.99	958.89	958.89	1,022.44	1,021.34	1,093.94	1,093.94
Total (1)	23,515.08	22,366.52	26,037.78	23,509.49	28,510.22	26,342.55	32,076.44	29,301.92	36,326.46	33,754.02
Capital Expenditure										
Capital outlay	4,889.22	4,707.42	4,937.41	4,403.94	5,308.25	4,723.47	4,686.10	3,754.30	3,852.08	3,242.92
Loans and advances disbursed	5,694.00	5,652.37	2,138.06	1,679.94	2,711.35	2,684.32	2,782.84	2,552.52	2,509.03	2,247.49
Repayment of Public Debt	1,325.29	1,325.29	1,676.75	1,346.73	1,435.18	1,435.17	1,654.63	1,654.62	1,682.43	1,682.43
Contingency Fund	0	0	0	0	0	10.00	0	0	0	2.40
Public Accounts disbursements	0	0	0	0	0	0	0	0	0	0
Closing cash balance	0	880.65	0	1,517.07	0	3,654.94	0	2,645.35	0	2,982.52
Total (2)	11,908.51	12,565.73	8,752.22	8,947.68	9,454.78	12,507.90	9,123.57	10,606.79	8,043.54	10,157.76
Grand Total (1+2)	35,423.59	34,932.25	34,790.00	32,457.17	37,965.00	38,850.45	41,200.01	39,908.71	44,370.00	43,911.78

Source: Annual Financial Statements and Finance Accounts of the GNCTD.

1.2 Application of resources of the Government

The total expenditure¹ of the Government increased by 19.92 per cent from ₹ 32,726.31 crore in 2013-14 to ₹ 39,246.83 crore in 2017-18. Revenue expenditure increased by 50.91 per cent from ₹ 22,366.52 crore in 2013-14 to ₹ 33,754.02 crore in 2017-18. Capital expenditure decreased from ₹ 4,707.42 crore in 2013-14 to ₹ 4,403.94 crore in 2014-15, increased to ₹ 4,723.47 crore in 2015-16, decreased to ₹ 3,754.30 crore in 2016-17 and further decreased to ₹ 3,242.92 crore in 2017-18.

As a constituent of the total expenditure, revenue expenditure increased from 68.34 per cent in 2013-14 to 86.00 per cent in 2017-18, while capital

¹ excluding repayment of public debt and cash balances

expenditure decreased from 14.38 *per cent* to 8.26 *per cent*. During the period 2013-18, total expenditure increased at an annual average rate of 7.47 *per cent* whereas revenue receipts grew from ₹ 27,980.69 crore to ₹ 38,667.27 crore at an annual average rate of 10.25 *per cent*.

1.3 Persistent savings

In three grants, there were persistent savings of more than ₹ 2.50 crore during the last five years as given in **Table 1.2**.

Table 1.2: List of grants with persistent savings during 2013-18

Sl. No.	Grant number and name	Amount of saving				
		2013-14	2014-15	2015-16	2016-17	2017-18
(₹ in crore)						
Revenue (Voted)						
1.	Grant No. 3: Administration of Justice: 2014 B.1(2)(1)-Judicial Magistrate's Courts	6.04 15.24%	8.05 16.85%	15.29 24.50%	8.13 13.90%	7.86 13.31%
2.	Grant No.7: Medical and Public Health: 2211 K 1 (3)(1)-Urban Family Welfare Centre (CSS)	3.50 71.43%	9.21 86.32%	8.71 87.10%	17.76 92.21%	2.50 58.28%
Capital (Voted)						
3.	Grant No. 8: Social Welfare: 5055 DD.1(3)(1)- Introduction of Electronic Trolley Buses- Alternative mode of Transport	97.21 97.21%	3.00 100%	11.00 100%	11.73 100%	12.66 42.20%

Source: Appropriation Accounts of GNCTD

The Government informed that the savings were mainly due to (i) major portion of the budget earmarked for advertisements remaining unspent as the matter was sub-judice, (ii) non-utilisation of a major provision kept for payment of arrears for up-gradation of pay scales, (iii) receipt of less number of bills and (iv) release of less loan.

1.4 Grants-in-aid from Government of India (GoI)

The grants-in-aid received from the GoI during the years 2013-18 are given in **Table 1.3**.

Table 1.3: Year-wise details of Grants-in-aid received from GoI

Particulars	(₹ in crore)				
	2013-14	2014-15	2015-16	2016-17	2017-18
Non-Plan Grants	326.91	327.95	2,905.02	1,118.71	NA
Grants for State Plan Schemes	717.81	1,467.35	486.72	550.17	NA
Grants for Centrally Sponsored plan Schemes	358.14	552.84	866.55	1,156.28	NA
Centrally Sponsored Scheme	NA	NA	NA	NA	994.72
Other transfer/grants to State/UT with Legislature	NA	NA	NA	NA	1,189.46
Total	1,402.86	2,348.14	4,258.29	2,825.16	2,184.18
Percentage of increase (+)/decrease (-) over the previous year	(-) 6.63	(+) 67.38	(+) 81.35	(-)33.66	(-)22.68
Revenue Receipts	27,980.69	29,584.59	34,998.85	34,345.74	38,667.27
GIA as a Percentage of Revenue Receipts	5.01	7.94	12.17	8.23	5.65

Source: Report on State Finances for the year ended 31 March 2018

NA –Not applicable

Grants-in-aid from GoI showed an increasing trend from 2013-14 to 2015-16, and then decreasing trend from 2015-16 to 2017-18. Its percentage to revenue receipts ranged between 5.01 and 12.17 *per cent*.

1.5 Certification of Financial Statements of Autonomous Bodies

The Financial Statements of autonomous bodies are audited by the Comptroller and Auditor General of India (CAG) under Sections 19(3) and 20(1) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971. The Financial Statements include the Balance Sheet, Income and Expenditure Account and/or Receipt and Payments Account. Separate Audit Report (SAR) for each of the autonomous bodies audited contains Audit comments on the accounting treatment with regard to classification, conformity with the best accounting practices, accounting standards, disclosure norms, etc. Audit of accounts of 10 Autonomous Bodies in NCTD is entrusted to the CAG. The status of entrustment of audit, rendering of accounts to audit, issuance of SARs and its placement in the Legislature as on 31 March 2018 is indicated in **Appendix 1.2**.

1.6 Planning and conduct of Audit

The audit process commences with risk assessment of various departments, autonomous bodies, schemes/projects, etc. and includes assessing the criticality/complexity of activities, level of delegated financial powers, internal controls, concerns of stakeholders and previous audit findings. Based on this risk assessment, the frequency and extent of audit are decided and an Annual Audit Plan is formulated.

After completion of audit, Inspection Reports containing audit findings are issued to the Heads of the offices with the request to furnish replies within four weeks. Whenever replies are received, audit findings are either settled/or further action for compliance is advised. Important audit observations pointed out in these Inspection Reports are processed for inclusion in the Audit Reports of the Comptroller and Auditor General of India which are submitted to the Lieutenant Governor of Delhi under Section 48 of the Government of National Capital Territory of Delhi Act, 1991.

During 2017-18, compliance audit of 184 Drawing and Disbursing Officers (DDOs) of GNCTD and four autonomous bodies was conducted by the office of the Principal Accountant General (Audit), Delhi. In addition, four Performance Audits were also conducted.

1.7 Response of the Government to Audit Report

In previous years, Audit has reported on several significant deficiencies in implementation of various programmes/activities as well as on the quality of internal controls in selected departments, which had a negative impact on the success of programmes and functioning of the departments. The focus was on

offering suitable recommendations to improve service delivery to the intended beneficiaries.

The draft performance audit reports and paragraphs proposed for inclusion in the Report of the Comptroller and Auditor General of India are forwarded by the Principal Accountant General (Audit), Delhi to the Principal Secretaries/Secretaries of the departments concerned, drawing their attention to the audit findings and requesting them to send their response within six weeks. The fact of non-receipt of replies from the departments/Government is invariably indicated at the end of such paragraphs included in the Audit Report. One Performance Audit and 10 paragraphs, proposed to be included in the Report of the Comptroller and Auditor General of India on Social, General and Economic Sectors (Non-PSUs) for the year ended 31 March 2018, were sent to the Principal Secretaries/Secretaries of the respective departments. Of these, replies in respect of six audit paragraphs were not received (January 2020).

1.8 Recoveries at the instance of Audit

Audit findings, involving recoveries that came to notice in the course of test audit of accounts of the departments of the Government, were referred to various departmental DDOs for confirmation and further necessary action under intimation to Audit.

During the year 2017-18, against audit findings involving recovery of ₹ 86.67 crore pointed out in 154 cases, the DDOs concerned had effected recovery of ₹ 3.02 crore (including recovery of previous years) in 58 cases.

1.9 Lack of responsiveness of the Government to Audit

The Principal Accountant General (Audit), Delhi, conducts periodic inspection of Government departments by test-check of transactions and verifies maintenance of important accounting and other records as per the prescribed rules and procedures. Important irregularities etc., detected during audit inspections and not settled on the spot are issued to the Heads of offices inspected in the form of Audit Inspection Reports (IRs). The Heads of offices and next higher authorities are required to report their compliance to the Principal Accountant General (Audit), Delhi within four weeks of receipt of IRs.

As on 31 March 2018, 8,610 audit observations contained in 1,970 IRs remained outstanding as shown in **Table 1.4**.

Table 1.4: Details of Outstanding IRs and audit observations

(₹ in crore)

Name of sector	As on March 2016			As on March 2017			As on March 2018		
	IRs	Paras	Amount	IRs	Paras	Amount	IRs	Paras	Amount
Social Sector	876	3,647	99.84	1,124	4,578	106.41	1,097	4,191	105.49
General Sector	594	3,455	455.30	641	3,499	457.15	711	3,869	509.15
Economic Sector (Non PSUs)	180	640	5,494.71	175	614	5,437.51	162	550	5,255.70
	1,650	7,742	6,049.85	1,940	8,691	6,001.07	1,970	8,610	5,870.34

The large number of outstanding audit observations indicates the need for the Government to take effective action to address the issues raised by Audit to improve financial management and accountability.

1.10 Follow-up on Audit Reports

1.10.1 Non-submission of *suo-motu* Action Taken Notes and discussion of paragraphs in Public Accounts Committee

To ensure accountability of the executives to the issues dealt with in various Audit Reports, the administrative departments are to issue *suo-motu* Action Taken Notes (ATNs) on all audit paragraphs and performance audits featuring in the Audit Reports irrespective of whether these are taken up for discussion by the Public Accounts Committee (PAC) or not. These ATNs are to be submitted to the PAC duly vetted by the Principal Accountant General (Audit), Delhi within a period of three months from the date of presentation of Audit Reports in the Legislative Assembly of Delhi.

Out of 42 performance audits and 130 audit paragraphs featured in the civil chapters of Audit Reports from 2007-08 to 2016-17, *suo-motu* ATNs in respect of four performance audits and 32 audit paragraphs have not been received. Six performance audits and 26 audit paragraphs have been discussed by the PAC up to 31 October 2018.

1.11 Year-wise details of performance audits and audit paragraphs that appeared in Audit Reports

The year-wise details of performance audits and audit paragraphs that appeared in the Audit Reports for the last three years along with their money value are given in **Table 1.5**.

Table-1.5: Details of performance audits and audit paragraphs appeared in Audit Reports for the years ended March 2015-March 2017

Reports for the Year ended March	Performance Audits		Audit Paragraphs		Replies received	
	Number	Money value (₹ in crore)	Number	Money value (₹ in crore)	Performance Audits	Audit Paragraphs
2015	4	240.04	16	1,711.58	4	12
2016	5	107.93	15	365.91	4	12
2017	3	231.68	13	184.40	1	09

Twelve performance audits and 44 audit paragraphs were issued to the Government. However, replies in respect of only nine performance audits and 33 audit paragraphs were received from the Government/departments.

One performance audit involving money value of ₹ 136.15 crore and 10 audit paragraphs involving ₹ 128.14 crore have been included in this Report for the year ended 31 March 2018. Replies, wherever received, have been incorporated at appropriate places.

Chapter-II

Performance Audit

Chapter - II Performance Audit

Department of Urban Development

2.1 Schemes for providing Potable Water Supply and Sewerage Facilities in Unauthorised Colonies

The Performance Audit covers two schemes namely “Providing potable water supply in unauthorised colonies” and “Providing sewerage facilities in unauthorised colonies” being implemented by Delhi Jal Board (DJB), for which funds are provided by the Urban Development Department (UDD), Government of National Capital Territory of Delhi (GNCTD) in the form of grants-in-aid. The significant audit findings are summarised below.

Highlights

Grants-in-aid received for development of capital assets were irregularly diverted and utilised for other purposes, without the approval of the Urban Development Department.

(Paragraph 2.1.6)

In the absence of a strategic plan to provide piped water supply to all 1,797 unauthorised colonies (UACs) by December 2018 as envisaged by GNCTD, only 353 UACs were provided piped water supply during 2013-18 and as of March 2018, 567 UACs were still dependent on tube-wells/hand-pumps and water supplied through water tankers by DJB for their potable water requirements.

(Paragraph 2.1.7)

Works of laying water and sewer lines were planned and executed by divisions in an uncoordinated manner, resulting in expenditure incurred remaining unfruitful and the intended benefits undelivered.

(Paragraphs 2.1.7.1 and 2.1.8.1)

Out of 34 works of Phase-I of Sewerage Master Plan for Delhi -2031, to be completed by 2016, only 11 works were completed by July 2018 with 20 works being in progress and three still at pre-execution stage. Out of 1797 UACs, 1573 UACs (88 per cent) were not provided with sewerage facilities as of March 2018 and sewage generated by these 1573 UACs flowed into storm water drains and eventually into River Yamuna in its untreated form.

(Paragraph 2.1.8)

DJB planned and executed water supply and sewer line works in UACs situated on land belonging to Forest Department and Archaeological Survey of India, in violation of the UDD guidelines for development works in UACs.

(Paragraphs 2.1.7.2 and 2.1.8.2)

There were deficiencies in preparation and approval of estimates, delay in award and execution of works, selection of ineligible bidders and extension of undue benefit to contractors.

(Paragraphs 2.1.9 and 2.1.10)

Out of 657 water tankers used for water supply by DJB, 250 tankers (38 per cent) operated without monitoring equipment such as GPS, water level meters/flow meters/chlorine meters etc. as envisaged by the DJB under the Water Tanker Distribution Management System project.

(Paragraph 2.1.11)

2.1.1 Introduction

Unauthorised Colony (UAC) means a colony/development comprising of contiguous area, where no approval of Layout Plan and/or building plan has been obtained by residents of these colonies from the agency concerned (DDA/MCD). Unauthorised colonies in Delhi have been in existence right from the time when planned development of Delhi started with the setting-up of Delhi Development Authority (DDA) in 1957. In December 1996, Hon'ble High Court of Delhi directed GoI to constitute a high level committee to frame a policy and terms and conditions for regularisation of UACs. After a long drawn process, Regulations for regularisation of unauthorised colonies in Delhi were notified by Delhi Development Authority (DDA) in March 2008. In compliance to Regulations 2008, GNCTD finalized a list of 1,797 UACs for consideration for regularisation.

In September 2012, GNCTD issued notification for development works in 895 UACs out of 1,797 UACs and their regularisation in terms of Regulations 2008. However, none of these 895 UACs could be regularised due to non-finalisation of boundaries of these colonies. In December 2015, GNCTD decided that, for development works, no distinction should be made between colonies eligible for regularisation and other colonies (902 UACs). The only exception to this rule would be in respect of colonies falling inside forest areas or areas under Archaeological Survey of India regulations.

Under the plan scheme "Provision of essential services in unauthorised colonies", the DJB was implementing two schemes of "Providing potable water supply in UACs" and "Providing sewerage facilities in UACs", for which UDD, GNCTD releases Grants-in-aid (GIA). The scheme "Providing potable water supply in UACs" involved laying of internal water lines in UACs and supply of water through water tankers in UACs. The scheme "Providing sewerage facilities in UACs" involved laying of internal sewer lines in un-sewered UACs. In the budget documents of 2015-16, GNCTD had envisaged (July 2015) provision of piped water supply to all households in a time-bound manner within a period of three years. In the budget of 2018-19, the timeline was extended to December 2018.

As of March 2013, out of a total of 1,797 UACs in NCT of Delhi, piped water supply and sewerage facilities were available in 877 (48.8 *per cent*) and 98 UACs (5.5 *per cent*) respectively. In the following five years from 2013-14 to 2017-18, additional 353 and 126 UACs were provided piped water supply and sewerage facilities respectively. Thus, as of March 2018, out of a total 1797 UACs, piped water supply and sewerage facilities were available in 1,230 (68.4 *per cent*) and 224 UACs (12.5 *per cent*) respectively.

2.1.2 Organizational Structure

The Delhi Jal Board, formed in 1998, is under the administrative control of the UDD, GNCTD. It is headed by a Chairman, who is assisted by the Chief Executive Officer, four Members heading respective wings¹, Chief Engineers heading various Zones, and Superintending Engineers and Executive Engineers heading Circles and Divisions respectively.

2.1.3 Audit Objectives

The main objectives of this performance audit were to assess whether:

- (i) financial management of the schemes was efficient;
- (ii) there was proper planning for providing water supply and sewerage facilities in unauthorised colonies;
- (iii) tendering, awarding and execution of development works were in accordance with the extant rules;
- (iv) facilities created were effectively functioning and served the intended purpose; and
- (v) Oversight and monitoring mechanism was adequate and effective.

2.1.4 Audit Scope and Methodology

The Performance Audit, covering the period of five years from 2013-14 to 2017-18, commenced in April 2018. An entry conference was held (April 2018) with the Special Secretary and officers of the UDD and DJB, wherein the audit objectives, criteria, scope and methodology were discussed. The audit was conducted during April to September 2018 through examination of records in UDD, Headquarters of DJB, selected 18 divisions² and joint physical verifications, wherever required. Simple random sampling method was used for selection of Divisions for audit. For the purpose of audit, 25 *per cent* (11 divisions) of the 41 Divisions which utilised GIA under the scheme of “Providing potable water supply in UACs” and 38 *per cent* (8 divisions) of

¹ Water Supply, Drainage, Finance and Administration

² One-fourth of the 41 under Water Supply Scheme: 11 Divisions (RPC, W(Projects)-IX, North West-II, North-I, South-III, South-IV, West-III, South West-II, North East-II, E&M HP-1 and E&M W&S South-II) and one-third of the 21 under Sewerage Scheme: 8 Divisions - (SR-II, DR-XII, DR-XIV, DR-III, DR-VIII, DR-XI, DR-IX and SW-II).

the 21 Divisions which utilised GIA under the scheme of “Providing sewerage facilities in UACs” were selected.

Out of a total of 1,797 UACs in Delhi, all 374 UACs under the 18 selected Divisions where water supply works were taken up during 2013-18 and 378 UACs where works for providing sewerage facilities were taken up were covered in audit. Also, joint inspection of works in 13 UACs and six water emergencies³ was conducted with officials of DJB. Details of UACs in which works of piped water supply and sewerage facilities were taken up by DJB during audit period 2013-18 and covered in this Performance Audit are given in **Table 2.1**.

Table 2.1: Details of UACs where works taken up and covered in Audit

Particulars	Piped Water Supply		Sewerage	
	Total	In sample	Total	In sample
UACs where facility was not available as of March 2013	920	530	1,699	902
UACs where works were taken up	546	374	526	378
UACs where works were completed and notified as of March 2018	353	198	126	46
UACs where works of laying water/sewer lines were completed but lines could not be made operational due to lack of allied infrastructure ⁴ and procedural delays	166	155	134	134
UACs where works are yet to be completed	27	21	266 ⁵	198

Source: Information provided by DJB

After completion of audit, a draft audit report was issued to the UDD and DJB on 6 November 2018 followed by an exit conference held on 13 February 2019 with the officers of UDD and DJB. Replies received have been suitably incorporated in this report.

2.1.5 Audit Criteria

Audit criteria were derived from the following:

- (i) Sewerage Master Plan for Delhi-2031;
- (ii) Guidelines and instructions issued by Ministry of Urban Development, GoI and of Urban Development Department, GNCTD;
- (iii) General Financial Rules 2005 and 2017;
- (iv) Central Public Works Department Works Manual 2012 and 2014;
- (v) General conditions of contract of Delhi Jal Board; and
- (vi) Instructions and orders issued by the Delhi Jal Board.

³ Where water tankers are filled

⁴ For water- Underground Reservoirs and peripheral line and for sewerage- trunk/interceptor sewers, sewage pumping stations and peripheral line.

⁵ Out of these 266 UACs, work has been abandoned in 47 UACs

Audit Findings

The audit observations regarding financial management, planning, execution and monitoring of the works carried out under the schemes of “Providing potable water supply in UACs” and “Providing sewerage facilities in UACs” are given in the subsequent paragraphs.

2.1.6 Financial Management

The details of funds received under both the schemes and expenditure incurred there against during the five years from 2013-14 to 2017-18 are given in **Table 2.2** and **Table 2.3**. GIA for “Providing potable water supply in UACs” scheme has two components, i.e.(i) ‘GIA-General’ for water supply through tankers and (ii) ‘GIA-Capital’ for capital works of laying of internal water lines. GIA for “Providing sewerage facilities in UACs” scheme has only one component viz. ‘GIA-Capital’ for laying of sewer lines.

Table 2.2: Details of utilization of grants received for water supply scheme during 2013-18

(₹ in crore)

Year	Opening Balance	GIA received			Total Funds	GIA utilised			Closing Balance
		General	Capital	Total		General	Capital	Total	
2013-14	0	90.00	40.00	130.00	130.00	93.82	34.11	127.93	2.07
2014-15	2.07	70.00	110.00	180.00	182.07	133.20	46.32	179.52	2.55
2015-16	2.55	134.00	140.00	274.00	276.55	216.02	47.03	263.05	13.50
2016-17	13.50	345.00	162.00	507.00	520.50	307.78	95.78	403.56	116.94
2017-18	116.94	150.00	150.00	300.00	416.94	280.27	70.15	350.42	66.52
Total		789.00	602.00	1,391.00		1,031.09	293.39	1,324.48	

Source: Information provided by DJB

Figures from Table 2.2 above indicate that utilisation in “GIA-General” (for supply of water through tankers) is consistently more than the funds received (except in 2016-17) and this excess expenditure was met from funds received under “GIA-Capital”. This meant that funds from ‘GIA-Capital’ for “Providing potable water supply in UACs” which were for capital works of laying of internal waterlines only, were irregularly diverted and utilised for supply of water through tankers.

Audit also observed during scrutiny of records of selected divisions that during 2013-18, scheme funds amounting to ₹ 5.33 crore for “Providing potable water supply in UACs” were irregularly diverted and utilised for other purposes such as providing imprest cash to divisional staff, miscellaneous repairs and maintenance etc. (**Appendix 2.1**).

The Government replied (February 2019) that audit observation is noted and due care shall be taken to avoid such diversion in future.

Table 2.3: Details of utilisation of grants received for sewerage scheme during 2013-18

(₹ in crore)

Year	Opening Balance	GIA received	Total Funds	GIA utilised	Closing Balance
2013-14	53.79	33.73	87.52	103.75	(16.23)
2014-15	0.00	125.00	125.00	125.18	(0.18)
2015-16	0.00	335.00	335.00	199.96	135.04
2016-17	135.04	200.00	335.04	273.24	61.80
2017-18	61.80	235.00	296.80	207.84	88.96
Total	53.79	928.73	982.52	909.97	72.55

Source: Information provided by DJB

Under the sewerage scheme, audit observed that during the years 2013-14 and 2014-15, there was excess expenditure of ₹ 16.23 crore and ₹ 0.18 crore respectively. DJB stated that it met the excess expenditure through its own resources. Audit also observed that DJB did not adjust this excess expenditure against funds received for subsequent years.

Planning and execution of Water Supply and Sewerage works

2.1.7 Water Supply works

Audit observed that Delhi Jal Board has not prepared any long-term perspective plan or master plan for providing piped water supply in UACs till date. GNCTD had envisaged provision of piped water supply to all households in a time-bound manner by December 2018. Audit requisitioned the strategic action plan for covering all uncovered UACs by the target date. DJB, however, did not make available any such action plan. Hence, Audit could not ascertain whether there existed any strategic plan for providing water supply to all by December 2018. Audit observed that 567 out of 1,797 UACs were still dependent on tube wells and water supplied through water tankers by DJB for their potable water requirements as of March 2018.

The Government replied (February 2019) that there is a shortfall of water in Delhi and after completion of upstream dams on Yamuna River, it will be possible to cover all the UACs and other shortfall areas. However, the reply was silent regarding availability or otherwise of strategic action plan to cover all UACs in a planned manner by December 2018, as envisaged by GNCTD.

2.1.7.1 Absence of integrated/comprehensive planning for laying of pipelines

The supply of potable water involves treatment of raw water at Water Treatment Plants (WTPs) and transmission of treated water through transmission lines into Underground Reservoirs (UGRs) located in command areas of the WTP. From these UGRs, the water for internal water lines laid in colonies is to be routed through peripheral lines, connected to UGRs and laid

at the outer periphery of these colonies. Before planning for laying of internal water lines, availability of water and allied infrastructure of WTP, UGR and peripheral lines need to be ensured.

In selected divisions, Audit observed that maintenance divisions of DJB proposed laying of internal water lines without any comprehensive /strategic master plan and without ensuring availability of water and allied infrastructure such as WTP, UGR and peripheral lines. Often, the proposals were framed in anticipation of water to be sourced from under construction or proposed Underground Reservoirs/peripheral lines. This resulted in internal lines laid remaining unutilised due to non-availability of allied infrastructure of UGRs and peripheral lines.

There were 1,122 UACs under the jurisdiction of the 11 selected divisions, of which 592 UACs were already notified⁶ for piped water supply by March 2013. Out of the remaining 530 UACs, works for internal water lines in 374 UACs were planned during the period from 2013-14 to 2017-18. Of these 374 UACs, works of laying pipelines in 155 UACs were completed but lines could not be made operational. In 144 UACs⁷ delay in commissioning was due to non-availability of allied infrastructure and in remaining 11 UACs water facilities were not made operational due to procedural delays in obtaining approval of the Chief Engineer. Works in these 144 UACs remained in operational for two to 30 months as of July 2018 and in 11 UACs, from four to 31 months.

Audit observed that in 144 UACs where works of laying internal water lines were completed but awaited commissioning as of July 2018, deficiency in ensuring availability of water source at the time of proposing laying of internal lines resulted in the completed internal lines remaining unutilised and rendering expenditure incurred thereon unfruitful as detailed below:

- Delay in commissioning of water lines laid between May 2016 and December 2017 in 17 UACs was due to delay in construction of Sonia Vihar UGR. The works of laying internal water lines were proposed in October 2015 and at the time of proposal, Board had only given in-principle approval for the work of construction of Sonia Vihar UGR. The work of construction of Sonia Vihar UGR was awarded in November 2017 only, stipulated to be completed in November 2019. As of November 2019, physical progress of work of construction of Sonia Vihar UGR was 79 per cent.

⁶ Notified to public that the facilities have been provided in the said locality and the residents can formally apply for water/sewer connections.

⁷ Involving expenditure of ₹ 71.62 crore for 59 UACs. For remaining 85 UACs in case of PPP project (NWS, Nangloi), the cost involved is not ascertainable as the work of laying/rehabilitation of water lines was being carried out for 480 UACs and details of expenditure are not kept UAC-wise.

- Delay in commissioning of water lines in 23 UACs, which were laid between January 2016 and January 2018, was due to delay in construction of Karala UGR. The works of laying internal water lines were proposed between September 2015 and November 2016 though physical progress of Karala UGR up to March 2016 and December 2016 was only 68 *per cent* and 83 *per cent* respectively. By March 2018, the UGR construction had progressed up to 87 *per cent*. The construction of Karala UGR was delayed due to difficult site conditions as the site was water logged and soil had to be brought in from other places to make site workable.
- In case of 85 UACs, work of laying internal water lines was to be started after completion of Najafgarh and Mundka UGRs in September 2015. The works of construction of Najafgarh and Mundka UGRs were, however, started in December 2015 and January 2016 respectively. Construction of Najafgarh UGR was delayed due to the presence of Bakkarwala drain at its site which had to be shifted, delayed physical possession of land and slow progress of work by the contractor. Construction of Mundka UGR was delayed due to soil conditions, time consumed in soil strengthening, change of designs and slow progress of work by the contractor. As of March 2018, physical progress of Najafgarh and Munkda UGRs was 80 and 78 *per cent* respectively. Also, work of laying peripheral lines got delayed due to non-availability of road cutting permissions from the road owning agencies.

However, water lines were laid in these 85 UACs between January 2017 and May 2018 before construction of the UGRs and therefore could not be commissioned since no water was available due to absence of peripheral lines and UGRs.

- In the remaining 19 UACs, commissioning was delayed due to non-availability of water. In case of nine UACs under Okhla Assembly Constituency, works of internal water lines were planned with source of water from Okhla WTP. These works were completed between January 2016 and January 2018 and were awaiting commissioning as of July 2018 due to non-availability of water at source. Similarly, in 10 UACs falling under Narela Assembly Constituency, water was to be sourced from Palla Ranney well. Laying of internal lines in these UACs were completed between August 2016 and May 2018 but these could not be commissioned as of July 2018 due to non-availability of water at source.

During joint physical verification of Bhagya Vihar UAC where the internal water lines had been laid but were awaiting commissioning due to delay in construction of Karala UGR, it was observed that some residents had taken

unauthorised connections from the peripheral lines supplying water to neighbouring Rani Khera Village. Since these residents were already getting piped water supply through the unauthorised connections, there is a likelihood that they may not opt for authorised connections, for which they will have to pay, even after commissioning of piped water supply in the UAC.

Audit also observed during joint physical verification of Sangam Vihar UAC, that peripheral water lines existed since 2013 but internal water lines have not been planned by DJB in Ratia Marg, Mangal Bazar, Tigree and Devali Road colonies as of October 2019. Non-laying of internal water lines despite presence of fully functional peripheral lines in the areas has resulted in laying of unauthorised/illegal pipelines by some residents in these UACs.

DJB did not ensure availability of water and construction of allied infrastructure of Underground Reservoirs and peripheral lines before laying of internal water lines. This led to expenditure incurred remaining unfruitful and intended benefits undelivered. On the other hand, DJB did not lay internal water lines in three colonies where peripheral lines were already available.

2.1.7.2 Works executed in violation of Government instructions

The guidelines⁸ for development works in UACs issued by UDD, GNCTD clearly prohibited carrying out of development works in unauthorised colonies situated on Forest/Archaeological Survey of India (ASI) lands. Further, the UDD circulated (October 2015) lists of 179 and 47 UACs which fell in lands belonging to the Forest Department, GNCTD, and ASI respectively, and instructed that developmental works in these areas were not to be carried out. Despite Government instructions, DJB executed works for water supply in 88 UACs on Forest land and 35 UACs on ASI land in violation of guidelines.

Failure of DJB to observe restrictions on development works in UACs situated on Forest/ASI land showed systemic failure and absence of mechanism in DJB to identify before planning any development works in UACs whether the land belonged to ASI/Forest Department. Only in October 2015, the UDD circulated a list of 179 and 47 UACs which fell in lands belonging to the Forest Department, GNCTD, and Archaeological Survey of India respectively.

2.1.7.3 Lack of mechanism for scientific assessment of quantity of water supplied

Potable water is initially pumped through transmission lines from Water Treatment Plants (WTPs) into UGRs located in command areas of the WTP. From these UGRs, it is further pumped into smaller UGRs and then

⁸ 2009, 2012 and 2015

distributed to households through distribution lines with the help of booster pumps.

DJB has installed about 302 flow meters at WTPs to measure the quantity of raw water available at WTPs and the quantity of treated/potable water supplied by treatment plants for distribution. Audit, however, observed that DJB has not installed flow-meters at any location downstream of WTPs i.e. at UGRs, booster pumping stations and water emergencies⁹, and relies on indirect methods¹⁰ of calculation to arrive at the quantity of water supplied through distribution lines or water tankers. These methods were not scientific and accurate.

The year-wise details (**Table 2.4**) of quantity of water supplied through water tankers during the years 2013-14 to 2017-18 showed that the measurement system was not accurate as the quantity of water supplied through water tankers varied hugely from 72.91 lakh Kilo Litre (KL) in 2014-15 to 6.32 lakh KL in 2017-18, which is unlikely considering that the number of tankers and the extent of operations of DJB to cover fixed points and emergency cases remained the same during this period.

Table 2.4: Details of water supplied through tankers

Year	Number of tankers	Quantity in Kilo Litres (KL)
2013-14	972	59,13,294
2014-15	1,064	72,91,064
2015-16	1,017	27,92,549
2016-17	932	6,73,418
2017-18	982	6,32,127

Source: Information provided by DJB

Due to non-availability of flow-meters at UGRs, booster pumping stations and water emergencies, DJB was not in a position to accurately assess the quantity of water actually supplied or to detect leakages/theft etc.

As regards assessment of quantity of water supplied, the Government stated (February 2019) that the process of installation of flow meters (downstream of WTPs such as UGRs, booster pumping stations and water emergencies) has been initiated and will be completed by December 2019.

2.1.8 Sewerage works

As of March 2013, out of 1,797 UACs 1,699 UACs did not have sewerage facilities. With an objective of providing sewerage facilities in all the UACs, the scheme of 'Providing sewerage facilities in UACs' was being

⁹ Where water tankers are filled

¹⁰ At UGRs, quantity of treated water supplied through distribution lines is measured on the basis of capacity of pumps and duration of pumping. Similarly, at water emergencies, quantity of water supplied through water tankers is measured on the basis of capacity of tankers and number of trips performed.

implemented as per the Sewerage Master Plan for Delhi - 2031 (SMP-2031) prepared (June 2014) by DJB to cover entire Delhi including all 1,797 UACs by 2031.

The SMP-2031 has been divided in four phases covering 93 works, out of which 34 works under Phase-I were to be completed by 2016 and 32 works under Phase-II are to be completed by 2021.

Audit, however, observed that out of 34 works of Phase-I planned to be completed by 2016, only 11 works were completed by July 2018, with 20 works being in progress and three still at pre-execution stage¹¹. Overall, only 126 UACs were provided with sewerage facilities during 2013-18. The delay in laying of sewer lines deprived sewerage facilities to the residents of the remaining 1,573 UACs.

As of March 2018, sewage from 1,573 out of 1,797 UACs flowed into storm water drains meant for carrying rain water and eventually into River Yamuna in its untreated form.

The Government stated (February 2019) that work of providing sewerage system in Delhi is being taken up in a phased manner in accordance with Sewerage Master Plan - 2031 and it will take necessary steps to ensure time bound completion of sewerage works as envisaged in the SMP-2031.

Specific instances of deficiencies noticed in planning of sewerage works are discussed in the succeeding paragraphs.

2.1.8.1 Non-synchronisation of works of laying sewer lines with other allied works resulting in idling of infrastructure created

There are 961 UACs under the jurisdiction of the eight selected divisions, of which 59 UACs were already notified for sewerage facilities by March 2013. Out of the remaining 902 UACs, works of internal sewer lines in 378 UACs were planned during the years 2013-14 to 2017-18. Out of these, works of sewer lines in 180 UACs were completed and in 198, work was in progress. In the completed works, internal sewer lines laid in 46 UACs were commissioned and sewage lines laid in 134 UACs could not be made operational. In 108 out of these 134 UACs, delay in commissioning was due to non-availability of allied infrastructure and in remaining 26 UACs, sewerage facilities were not made operational due to procedural delays in obtaining approval of the Chief Engineer.

Audit observed that an expenditure of ₹ 260.29 crore has been incurred on laying of internal and peripheral sewer lines in these 108 UACs, but these

¹¹ At the stage of Estimation/NIT/Tendering/Award etc.

lines were lying idle as Interceptor Sewer Project¹², which was to act as outfall structure/trunk sewer for these sewer lines was delayed. The Interceptor Sewer project was to be implemented in six packages by June 2014. Out of six packages, one package is complete and remaining five packages are scheduled to be completed by March 2020. The reasons for delay in completion of the project are delay in permissions from various departments like IFCD, MCD, DDA, BSES, Railway and Forest Department and slow progress of work by the executing agencies.

Out of these 108 UACs, in 96 UACs under Mohan Garden Group of Colonies (GoC), the work of laying internal and peripheral sewer lines was planned in July 2012. As per plan, the sewage from the Mohan Garden GoC was to be conveyed into interceptor sewer at Nilothi Keshopur (Package 2) through new sewer lines. In the remaining 12 UACs under Samaipur Group of Colonies, the work of laying internal and peripheral sewer lines was planned in July 2013. As per plan, the sewage from the Samaipur GoC was to be conveyed into interceptor sewer at Sanjay Gandhi Transport Nagar through new sewer lines. The sewage from Samaipur Group of Colonies was to fall into Interceptor Sewer (Package 3), which covered stretches from Badli to Burari, Wazirabad to Burari and Inderlok to Bharat Nagar. As of July 2013, physical progress of Package 3 of Interceptor Sewer project was 32 *per cent*. The work of laying sewer lines in Samaipur GoC was awarded in August 2014 with stipulated completion by February 2016. The work was actually completed in March 2018. As of March 2018, physical progress of Package 3 of Interceptor Sewer project was 84 *per cent*.

Thus, DJB did not synchronize the works of laying of sewer lines built at a cost of ₹ 260.29 crore, with allied works of Interceptor Sewer/trunk sewer thereby resulting in non-commissioning and non-utilisation of the completed sewer lines.

Non-synchronisation of works of laying sewer lines with other allied works by DJB led to idling of infrastructure created.

2.1.8.2 Works executed in violation of Government instructions

The guidelines¹³ for development works in UACs issued by UDD, GNCTD clearly prohibited carrying out of development works in unauthorised colonies situated on Forest/ASI lands.

Audit noticed that despite Government instructions, DJB took up laying of sewer lines in 57 UACs on Forest land and 30 UACs on ASI land in violation

¹² The interceptor sewer project to trap sewage from three major drains (Najafgarh, Supplementary and Shahdara) being implemented under JNNURM (now AMRUT) to convey sewage from diversion structures from the un-sewered areas as well as overflows from the existing sewers and direct it to the nearest existing STPs. The project, stipulated to be completed by June 2014, is now scheduled for completion by March 2020.

¹³ 2009, 2012 and 2015

of guidelines. UDD stopped (July 2016) works of laying of sewer lines by DJB in 43 of these UACs as these were on Forest/ASI land and hence no development work was permitted in these areas rendering expenditure of ₹ 27.46 crore on these works unfruitful.

The Government replied (February 2019) that verification of forest/ASI land is a continuous process and as and when there is observation raised by the Department, work is re-evaluated and is restarted after getting clarification from the Departments concerned. However, the fact is that DJB failed to restart the works of sewer lines in 43 UACs.

Failure of DJB to observe restrictions on development works in UACs situated on Forest/ASI land showed systemic failure as mentioned in respect of water supply works in Para 2.1.7.2.

2.1.8.3 Planning and execution of works on sewer lines before laying of water lines

DJB decided (January 2012) that sewerage systems are to be laid in those UACs, where water supply networks are already existing. Audit, however, observed that contrary to this decision, sewer lines were laid in 50 UACs (**Appendix 2.2**) though water lines were yet to be laid even though there were 622 UACs where water supply was notified but sewerage works were yet to be taken up. Thus, works were executed by DJB in violation of its own instructions.

During exit conference, DJB stated that amendment of the January 2012 resolution would be considered as they are striving to provide sewerage facilities to all.

Laying of the sewer lines without supply of minimum water required resulted in ineffective usage of sewer lines.

2.1.9 Deficiencies in execution of Water Supply and Sewerage works

The audit observations regarding deficiencies in execution and maintenance of water supply and sewerage infrastructure created under these two schemes are discussed in the subsequent paragraphs.

2.1.9.1 Execution of works without technical sanction from competent authority

As per amendment in delegation of powers in DJB dated 5 March 2013, the Superintending Engineer (SE) was empowered to accord technical sanction up to ₹ 25 lakh only which was enhanced to full powers vide amendment dated 16 June 2015.

Scrutiny of records of selected divisions of DJB revealed that 16 works (**Appendix 2.3**) of laying water and sewer lines were executed (Between

5 March 2013 and 16 June 2015) after technical sanction by SE, even though the estimates of these projects ranged from ₹ 31.11 lakh to ₹ 1,213.00 lakh. Thus, these works were executed without technical sanction by the competent authority.

The Government replied (February 2019) that works with estimates above ₹ 25 lakh were executed after technical sanction by SE due to oversight. Though accepted by the Government, the issue remains that neither responsibility for the irregularities have been fixed nor the sanction obtained from the competent authority subsequently.

2.1.9.2 Deficiencies in awarding of works

(i) Delay in award of works

As per CPWD Works Manual, top priority should be given for expeditious finalisation of tenders and maximum time limit of 45 days for scrutiny and disposal of tenders has been specified. Audit, however, observed that over and above the maximum specified period of 45 days, out of 620 works¹⁴, there were delays in award of works ranging from 50 to 498 days in 72 works. The details are given in **Table 2.5**.

Table 2.5: Delay in award of works

Sl. No.	Duration of delay in days	Division-wise number of works awarded after delay									Amount (₹ in crore)
		SW II	North I	S-III	DR-IX	SR-II	E&M	NE-II	Dr-XIV	Total	
1.	50-100	12	15	10	01	01	02	07	01	49	240.23
2.	101-200	03	02	01	05	03	-	01	01	16	68.66
3.	201-300	-	01	02	-	-	-	-	01	04	32.72
4.	301-498	-	02	01	-	-	-	-	-	03	1.91
Total		15	20	14	06	04	02	8	03	72	343.52

Source: Records of DJB

Delays in award of works after opening of bids may result in the expiry of bid validity apart from delaying the projects and increase in project cost on account of cost escalation which is calculated based on the Wholesale Price Index/Consumer Price Index for industrial workers, as on the last date fixed for receipt of tenders.

The Government replied (February 2019) that compliance with laid down procedure of confirmation of Earnest Money Deposits and Bank Guarantee, verification of experience certificates of bidders, evaluation of technical bid, scrutiny by technical committee etc. took time, resulted in delays in award of works. Government further assured that the audit observation has been noted for future compliance.

¹⁴ Relating to 18 selected divisions, where works of laying water and sewer lines were undertaken in unauthorised colonies during 2013-18.

(ii) **Unauthorised change in technical eligibility criteria**

(a) In terms of the CVC guidelines¹⁵ and CPWD guidelines¹⁶, eligibility conditions for specialized works shall be specified in the NIT as “Experience of having successfully completed works during the last seven years. Three similar works, each of value not less than 40 *per cent* of the estimated cost put to tender *or* two similar works, each of value not less than 60 *per cent* of the estimated cost, *or* one similar work of value not less than 80 *per cent* of the estimated cost”.

Audit observed that in case of two works¹⁷, the technical eligibility criteria was arbitrarily lowered from 80 *per cent* of estimated cost of the work to just eight *per cent*, without approval of the competent authority. This resulted in award of works to contractors who would have been ineligible as per the CVC guidelines. It was also observed that there were delays in execution of works of 455 and 621 days attributable to the contractors in the two works which also indicate the inability of contractors to complete these works since they did not have adequate experience.

(b) DJB also empanels/enlists contractors for various works and classifies them under different classes by fixing the entitlement limit for participation in tenders floated by DJB. The classification is done by taking into consideration their competence based on various factors such as their experience in the field of work, turnover etc. Once a particular contractor is enlisted with DJB in a certain class, he is eligible for participation in tenders only for that category or lower.

Scrutiny of the records of the selected divisions, revealed that in 13 works (out of 620 works) (**Appendix 2.4**), the contractors/firms to whom the works were awarded, were not eligible to bid for these works as per their classification.

The Government submitted clarifications (February 2019) regarding five of these 13 works. It stated that in four of these five works, tenders were invited as open bid and any bidder, who meets the technical and financial criteria was eligible to bid irrespective of the category in which he/she is enlisted. Regarding one work, it was stated that after receiving poor response to tenders twice, tenders were also invited from one category lower than the appropriate category. The reply is however silent regarding the remaining eight works.

¹⁵ Regarding pre-qualification criteria issued vide CVC Circular No. 14/4/07 issued vide letter No.98-VGL-25 dated 26.4.2007

¹⁶ Regarding eligibility conditions for specialized works issued vide office memorandum No. DGW/MAN/160 dated: 31.07.08

¹⁷ 1. Providing and laying internal and peripheral sewer lines in Samaypur group of colonies; and 2. Providing and laying internal and peripheral sewer line in Kureni group of colonies

(iii) Award of works without ensuring competitive rates

As per Rule 154 of GFR, awarding of work on single tender should normally be avoided and may be approved where only a particular firm can do that type of job or in case of an emergency. CVC guidelines also reiterate that single tender should be avoided by all the government departments. Further, as per clause 17.7 of CPWD Works Manual, if the response to tenders from the contractors of the appropriate class is poor, measures like inviting open tenders from next lower class including contractors registered with other departments like Railways, MES, Telecommunication and state PWDs in the appropriate class and/or relaxing the eligibility criteria may be taken with the prior approval of the competent authority.

Scrutiny of records revealed that two¹⁸ works were awarded for ₹ 4.91 crore on the basis of single tender in the first call of tenders itself on the ground of urgency. In these two works, the DJB neither relaxed the eligibility criteria nor approached contractors registered with other departments through open tenders.

In the first work of making interconnection with peripheral line, the ground of urgency was not justified as the work of laying of peripheral line was not even complete at the time of award of work. Besides this, against stipulated period of completion of 60 days, the work was started with a delay of 98 days as DJB failed to obtain requisite approval for road cutting before award of work. Further, the work was completed with delay of 142 days and commissioning is still awaited as of December 2018 due to delay in commissioning of Karala UGR. Similarly, in the second work of providing and laying internal and peripheral sewer lines, Audit observed that in the administrative approval proforma, the work was proposed as a routine/regular work. Later on, for award of work to single bidder in September 2013, reasons like poor response to call for tenders for other similar works, urgency in view of vigorous pursuance for work by area Member of Legislative Assembly and finally, urgency in view of commissioning of Yamuna Vihar STP (Phase-III) in December 2013 were cited. It is pertinent to mention here that the STP was commissioned only in September 2015 and though the work of providing and laying internal and peripheral sewer lines in Kardam Puri, Kardam Puri Extn., and Harijan Basti, West Jyoti Nagar was completed in September 2014, the line was commissioned only in May 2015 i.e. after eight months of completion.

¹⁸ 1. Work of making interconnection with peripheral line (West-III) with awarded cost of ₹ 0.27 crore.
2. Work of providing and laying internal and peripheral sewer lines in Kardam Puri, Kardam Puri Extn., and Harijan Basti, West Jyoti Nagar with awarded cost of ₹ 4.64 crore.

Thus, awarding these works worth ₹ 4.91 crore on single tender basis without adequate competition was not justified.

The Government stated (February 2019) that secrecy of prospective bidders is maintained in the e-tendering process and no bidder can take advantage of being a single bidder as the bidder would not have been aware of that. Further, GFR does not prohibit awarding of work on single tender and DJB has followed circulars issued by the CEO in this regard. However, the justification for awarding the works on single tender was not acceptable in view of the fact that the urgency shown at the time of awarding the work on single tender basis was not apparent in execution and commissioning of these works as explained above.

2.1.10 Deficiencies in Execution of Works

2.1.10.1 Inordinate delays in completion of works

Audit observed inordinate delay of 6 to 55 months in completion of 59 works (**Appendix 2.5**) of laying water and sewer lines. Out of these, 23 works have been completed and the remaining 36 works were still in progress (July 2018).

In most of the cases, delay was due to non-availability or delay in getting permission from road owning agencies (PWD, MCD and DDA), traffic police, Forest Department, Irrigation and Flood Control Department and Railways etc. This indicates lack of coordination with other departments for execution of works. As per CPWD Works Manual, all requisite clearances/approvals should be obtained before award of work. However, instead of obtaining permissions before awarding of works, the DJB placed the onus of obtaining permissions from various Government agencies on the contractor, by including a clause to this effect in the agreement, thereby absolving itself of any responsibility in this regard although it would have been in a better position to pursue permissions with the government departments concerned. Thus, the practice of making the contractor responsible for obtaining permission in contravention of CPWD Works Manual provisions resulted in avoidable delay in execution of works and the intended objectives of the schemes remained unachieved as the works were not completed in time.

In its reply, the Government stated (February 2019) that road owning agencies grant permission for specific time and permissions are not obtained prior to award of works considering uncertainties in the expected time in departmental procedures and process for selection of successful bidders for award of work. DJB provides necessary assistance to contractors by contacting road owning agency concerned, as and when required. Also, co-ordination meetings of various stakeholders are periodically held to aid speedy clearances. However, the reply is to be viewed in the light of the fact that if DJB initiated the process of obtaining requisite clearances/approvals/permissions, it would save precious time, which is otherwise wasted when clearances are delayed and

also, cost escalation has to be paid to the contractor for delays in obtaining the clearances.

2.1.10.2 Approval of competent authority not obtained

In terms of the provisions of CPWD Works Manual, expenditure can exceed the sanction up to 10 *per cent*, beyond which revised Expenditure Sanction shall be necessary. The revised sanction should be applied for, as soon as such excess expenditure is foreseen. Also, as per the General Financial Rules, any material variations in terms of a contract should be approved by the competent authority.

Audit noted that in 19 works (out of 620) awarded at a cost of ₹ 56.13 crore (**Appendix 2.6**) of laying water and sewer lines in unauthorised colonies, the expenditure exceeded the initial expenditure sanction obtained from the competent authority by more than 10 *per cent*. However, revised Expenditure Sanction was not obtained from the competent authority, which was in violation of the provisions of the CPWD Works Manual.

Also, in one work of laying 1,080 metres sewer line up to Arvind Enclave crossing on Rohtak Road (awarded in January 2012 at ₹ 2.18 crore), trunk sewer line of 86 metres had to be laid by trenchless technology instead of open-cut method as initially envisaged. Since the anticipated excess expenditure was 33 *per cent* in excess of the original sanction, approval from Board was required. However, in order to avoid obtaining approval of the Board, it was decided to foreclose the work and invite separate tenders for laying of remaining pipeline through trenchless method. It was also noticed that the work was foreclosed with the approval of Member (Drainage) instead of the CEO who was the competent authority in this case.

In case of hiring of Stainless Steel (SS) water tankers, DJB awarded (August 2012) the work of hiring 130 and 255 SS water tankers of three Kilo Litres (KL) capacity (₹ 98,001 per tanker per month) and nine KL capacity (₹ 1,23,003 per tanker per month) respectively after approval of the Board. The number of three KL and nine KL capacity water tankers were subsequently revised (March 2013 and December 2013) by Member (Water) increasing the number of three KL tankers from 130 to 299 and decreasing number of nine KL tankers from 255 to 108, on the basis of feedback from divisions that it was difficult for nine KL tankers to enter into the narrow lanes of UACs. Audit observed that though this revision resulted in material deviations in project capacity and increase in cost of transportation from ₹ 13.69 per KL per Kilometer to ₹ 18.99 per KL per Kilometer, approval of the competent authority i.e. the Board, was not sought.

In its reply, DJB stated (February 2019) that in the delegation of powers in DJB there is no provision to obtain revised expenditure approval. Approval of the competent authority is taken at the time of award of work and on

execution of work, hence revised expenditure sanction is deemed to be approved by competent authority. The reply is not proper since expenditure sanction is to be obtained from competent authority as per delegated powers, whether original or revised and separate delegation of powers is not needed for revised sanction. In case of hiring of water tankers, DJB stated that after revision, the total cost was more than six *per cent* below the awarded cost and therefore, approval of the Board was not required. However, audit is of the view that revised approval was necessary since the revision resulted in considerable reduction in the overall carrying capacity of tankers, i.e. from 2,685 KL to 1,869 KL while the total cost reduced only marginally.

2.1.10.3 Undue benefits to contractors

Audit observed a number of cases where undue benefits were extended to the contractors which are discussed in the succeeding paragraphs.

- **Non-levy or short levy/withholding of penalty amounting to ₹ 31.70 crore for delays:** As per DJB General Conditions¹⁹ of Contract, compensation for delay of works shall be at the rate of 1.5 *per cent* of the contract price, for each month of delay to be computed on per day basis, subject to a maximum of 10 *per cent* of the contract price. Audit observed that in eight works, there was short levy/withholding or non-levy of penalty to the tune of ₹ 31.70 crore (**Appendix 2.7**) on the contractors for the delays attributable to them.

In its reply, the Government stated (February 2019) that as per practice 10 *per cent* of the cost of work done beyond the stipulated period of completion is kept on hold till a final decision is taken in the case depending upon the merit of the case. Out of total eight cases included in the audit observation, in five cases Government has attributed delays in completion of works to the Department or reasons beyond control of the contractor. The reply is not acceptable as attributing periods of delays not recorded in hindrance registers to the department or treating them as reasons beyond control of contractor is not justified. The practice of withholding 10 *per cent* of cost of work done is not in consonance with the provisions of General Conditions of Contract.

- **Payments released without adhering to contract conditions:** As per contract conditions, 20 *per cent* cost of the laying of water/sewer line work done should be withheld till such time hydraulic testing is done to the full satisfaction of the Engineer-in-charge. Audit observed that in three selected divisions, pipe lines were laid by the contractors but the same could not be commissioned as UGRs from which water was to be sourced for these pipelines were still under construction.

¹⁹ As per clause 10.3.1 of GCC

Audit observed that two divisions made final payments to the contractors without hydraulic testing of pipelines and also without withholding 20 per cent of the cost amounting to ₹ 2.51 crore in case of 21 works (**Appendix 2.8**).

- **Pre-mature release of security deposits:** As per General Conditions of Contract (GCC) of DJB, security deposits withheld from Running Account bills of contractors shall be returned to the contractor on certification after the Engineer-in-Charge has satisfied himself that all the terms of the contract have been duly and faithfully carried out by the contractor or 60 days after successful completion of Defect Liability Period (DLP).

Audit observed that no certificate had been issued by the Engineer-in-Charge and nor were the DLP over in 13 works (**Appendix 2.9**), as none of these works had yet been commissioned (July 2018). However, DJB released security deposits amounting to ₹ 25 lakh to the contractors, resulting in grant of undue benefit to the contractors.

2.1.11 Deficiency in management of water tankers

During the period from 2013-14 to 2017-18, DJB incurred an expenditure of ₹ 1,031.09 crore on water supply through tankers, out of the GIA received under the scheme of 'Providing water supply facilities in UACs'.

With the objective of improving management of the entire water tanker transport system in Delhi through more efficiency and transparency, DJB implemented two projects (i) 'Water Tanker Distribution Management System' (WTDMS) for GPS monitoring of water tankers along with other features such as water level sensors, flow meters, chlorine meters and access control through smart cards and (ii) 'Water Tanker Supply Service' (WTSS) for hiring of stainless steel water tankers for a period of 10 years. DJB selected (June 2011) Delhi Integrated Multi Modal Transit System Ltd. (DIMTS) for implementing the WTDMS project. The WTDMS project was planned to cover monitoring of 800 water tankers and the payment was to be made for a minimum of 700 water tankers. Under WTSS, DJB hired (August 2012) 407 tankers.

Audit observed that contrary to the agreement with DIMTS, against a minimum provision of 700 tankers, DJB provided only 407 tankers hired under WTSS to DIMTS for installation of equipment under WTDMS. DJB did not provide 250 departmental tankers to DIMTS on the grounds that these were old and would be obsolete by 2013. Even the 250 Stainless Steel water tankers procured in June 2016 as replacement of old tankers, were not provided to DIMTS for WTDMS. DJB also hired 325 tankers on short term basis which were also running without GPS monitoring.

As payment modalities did not work out between DJB and DIMTS as only 407 tankers were being monitored against the minimum assured number of 700 tankers under WTDMS, DJB terminated the contract agreement with DIMTS with effect from 15 January 2018 and requested DIMTS to continue to provide GPS services only till engagement of some other vendor. As of October 2019, DIMTS was providing GPS services to DJB.

Out of a total 657²⁰ water tankers used for water supply by DJB, 250 tankers (38 per cent) operated without monitoring equipment such as GPS, water level meters/flow meters/chlorine meters etc. Thus, not only has DJB failed to get the intended benefits of monitoring the water tankers through WTDMS for reduction in wastage of water at filling points, improvement in measurement of quantity and quality of water supplied through tankers and reduction in non-revenue water, it has also not complied with guidelines of the Environment Department according to which all water tankers should be fitted with GPS devices.

In the absence of water level sensors and flow meters in all the water tankers and absence of GPS monitoring in tankers hired on short term basis, the risk of theft, pilferage, wrong billing and excessive claims is high.

DJB stated (February 2019) that 325 tankers were hired for short periods from different owners and therefore, WTDMS equipment were not installed in these tankers. It was further stated that the performance of monitoring equipment under WTDMS except GPS was not satisfactory and presently only 407 tankers hired on long term basis are equipped with GPS. The reply is not acceptable as the WTDMS project, initiated for effective monitoring, accountability and transparency of water supply through tankers, did not provide the intended results as 250 out of 657 water tankers remained outside the monitoring system.

Proper functioning of WTDMS was essential for effective management, accountability and transparency in the entire water tanker transport system in Delhi, but limited coverage of water tankers under the system rendered the project ineffective.

2.1.12 Oversight and monitoring mechanisms

2.1.12.1 Absence of monitoring of physical progress of work

As per the sanction letters issued by UDD, GNCTD for releasing GIA to DJB for the schemes, it was mandatory for the grants releasing authority to monitor the physical and financial progress of the works done by executing agencies for which the grants were released. The UDD, before issuing instalments of GIA to DJB, monitored financial progress. However, there was no monitoring of physical progress of development works at the Department level. Lack of monitoring at the UDD level resulted in lack of co-ordination/synchronisation

²⁰ 407 SS tankers hired under WTSS + 250 SS departmental tankers = 657 tankers

among different executing agencies and laying of water and sewer lines in many UACs on Forest and ASI land.

In DJB, divisions concerned send monthly physical and financial progress reports to Headquarters which contain progress reports on percentage of works completed. Audit observed that no efforts were made at Headquarters level to examine and analyse these reports to take appropriate action for ensuring progress of works as planned. In view of inadequate scrutiny at Headquarters and lack of follow up, the very purpose of these progress reports was defeated.

In its reply, the Government stated (February 2019) that the physical and financial progress of major projects are monitored by senior management of the Board. However, in view of the audit observation, further action will be taken in this regard.

2.1.12.2 Inspection of projects

General conditions of contract provided for inspection of executed work by the Superintending Engineer (SE)/Chief Engineer (CE). Also, audit requested eight divisions to furnish the inspection registers at the site, which were to record comments of officers visiting the site. The same, however, was not produced to audit in three divisions²¹. Further, audit scrutiny of records of the divisions which furnished records relating to inspection of site by senior officers revealed that in 41 civil works (**Appendix 2.10**), no inspections were conducted by the SE or CE during execution of the works.

Inspection registers maintained at project sites for recording the comments of officers visiting the sites were not produced to audit by three divisions. In 41 works pertaining to five divisions, no inspections of the works had been conducted by the SE or CE during execution of the works.

As per the DJB circular of April 2007, works costing more than Rupees one crore and works where rates are abnormally low are to be checked by third parties. The estimates prepared by the Division also include the provision for third party inspection. In all 75 works costing more than Rupees one crore examined in audit, third party inspection was carried out. However, in the records made available regarding 40 works awarded at abnormally low rates (**Appendix 2.11**), no third party inspection reports were available.

The Government stated (February 2019) that sites of different works were inspected by senior officers i.e. EE/SE/CE and verbal and written instructions were issued time and again to expedite the physical progress of the work. Observations of senior officers were uploaded in project monitoring system of DJB time to time when the system was functional. The reply is not acceptable, as in the specific cases pointed out by audit, inspections of senior officers and third-party inspections were not found conducted and observations were not found recorded.

²¹ DR-III, DR-VIII, DR-XI

2.1.12.3 Non-submission of Work Programme Schedule

In terms of Section 3.9 of General Conditions of Contract, the contractors have to submit a Work Programme Schedule in the form of Bar Chart for works costing between Rupees one crore and three crore and Bar Chart and PERT chart for all works above Rupees three crore within 10 days of issue of work order. Failure in this regard would invite a penalty @ ₹ 1,000 per day. Also, contractor should enter online progress reports in the format provided in the project management system (for quality monitoring and physical and financial progress monitoring) on 1st and 15th of every month during the contract period. Further, contractors have to upload DPR/other report/Bar or PERT chart/Site photograph, amongst others, with date of submission by 8th and 23rd of every month and engineer should verify the entries made. No payments should be released if the progress has not been entered at the prescribed frequency and in the prescribed format.

Scrutiny of records of the selected divisions of DJB revealed that DJB had awarded 36 works of laying of water and sewer lines amounting to ₹ 729.46 crore during the period 2013-14 to 2017-18 (**Appendix 2.12**). However, the contractors had not submitted the program schedule (Bar Chart) in prescribed format and it was not clear as to how DJB ensured achievement of milestones and progress of work in absence of the work program schedule. Also, DJB had not deducted penalty for non-submission of work programme schedule at the prescribed rate amounting to ₹ 2.61 crore, from payments made to the contractors. Audit further observed that ten out of these 36 works were completed with delays of more than one year.

In its reply, the Government provided (February 2019) copies of bar charts of only four works out of the 36 works and was silent about the remaining 32 works. In these four works as well, bar charts were submitted without progress reports and the timeframe of receipt of the same.

The cases of deficiencies in oversight and monitoring mechanism pointed out are based on test check conducted by Audit. The Department/Government may also check the remaining cases not covered in audit for similar deficiencies.

2.1.13 Conclusion

Audit noticed irregular diversion of grants-in-aid received for creation of capital assets for other purposes. DJB did not provide any master plan or perspective plan for piped water supply to all UACs to audit, in the absence of which, audit could not ensure that the projects are implemented in a planned manner. Several instances were observed where internal water lines have been laid but, UGR or peripheral water lines are yet to be completed or vice versa. Such instances of non-synchronisation of works by DJB render the expenditure incurred unfruitful and objectives of the scheme to provide piped potable water supply to all UACs unachieved. Audit also observed cases

where peripheral water lines had been functional for more than five years and yet internal water lines had not been planned. In these cases, residents of UACs had laid unauthorised pipelines, which may further complicate the DJB's work of laying of internal water lines.

Sewer line works were lagging behind the time schedule stipulated in the Sewerage Master Plan for Delhi - 2031. As of March 2018, out of 1,797 UACs, 567 UACs were still dependent on tube wells/hand pumps and water supplied through water tankers by DJB for their potable water requirements. In case of sewerage sector, residents of 1,573 UACs were deprived of sewerage facilities and the untreated sewage from these UACs were flowing into River Yamuna through storm water drains. Audit also observed that in violation of Government instructions, DJB executed water and sewer lines works in UACs falling under Forest/ASI land, and as a result, works in 43 UACs were stopped midway rendering expenditure incurred on these unfruitful.

Audit observed deficiencies in preparation and approval of estimates and cases of delay in award and execution of works, selection of ineligible bidders and extension of undue benefits to contractors. Water Tanker Distribution Management System, introduced to improve capability of DJB in managing the water tanker transport system in Delhi, never functioned to its full potential and was limited to only GPS monitoring of tankers, that too only in 62 per cent of water tankers. Inspection of works by higher officers so as to identify and mitigate bottlenecks in execution of works were not conducted as prescribed. DJB, therefore, needs to thoroughly review the planning and execution of the works under the schemes for providing potable water supply and sewerage facilities in UACs to ensure adequate provision of potable water supply and sewerage facilities as envisaged.

2.1.14 Recommendations

DJB may:

- (i) *ensure synchronisation of works of laying of water and sewer lines with the works of construction of UGRs and peripheral lines and trunk/Interceptor Sewer respectively so that works are executed and commissioned in time for providing water supply and sewerage facilities to the residents of UACs;*
- (ii) *ensure adherence to Government instructions prohibiting carrying out of development works in unauthorised colonies situated on Forest/ASI lands;*
- (iii) *ensure effective monitoring, accountability and transparency in water supply through tankers; and*
- (iv) *strengthen monitoring of works at Headquarters so as to identify and mitigate bottlenecks in execution of works in co-ordination with other departments and agencies.*

Chapter-III

Compliance Audit

Chapter-III Compliance Audit

Department of Food, Supplies and Consumer Affairs

3.1 Non-recovery of ₹ 61 lakh from the Bank

Failure of the Department to recover unauthorised payment from the Bank resulted in an amount of ₹ 61 lakh remaining un-recouped to Government account. The Department also suffered loss of interest of ₹ 12 lakh.

Department of Food, Supplies and Consumer Affairs, Government of NCT of Delhi (Department) implemented (December 2012) Dilli Annashree Yojna to provide food security through direct cash transfer of ₹ 600 per month in the bank account of the beneficiaries. For this purpose, the Department was maintaining a saving bank account with Bank of India (Bank). The Government of NCT of Delhi decided (September 2013) to merge the Dilli Annashree Yojna with National Food Security Scheme and stopped payments under the Dilli Annashree Yojna from April 2014.

Under the Dilli Annashree Yojna, after receipt of data of beneficiaries from the Computer branch of the Department, sanction orders were issued by the Policy branch and copies of the sanction orders along with list of beneficiaries were sent to Accounts branch for preparation of bills and transfer of funds to the Bank which further transferred the amount to the bank accounts of the beneficiaries as per the list given.

Audit noted that, during the financial year 2012-13, in several instances as detailed in **Table 3.1.1**, the Bank, on its own accord, made payment to persons whom the Department had not included in the list of intended beneficiaries.

Table 3.1.1: Details of payment released by Bank

Date of sanction	No. of beneficiaries sanctioned	Amount sanctioned (₹)	Rate (₹)	Actual Number of persons to whom the subsidy was released	Total amount released by the bank (₹)	No. of persons to whom the subsidy was wrongly released	Excess amount released by the bank (₹)
21.01.13	11,926	71,55,600	600	12,424	74,43,334	498	2,87,734
25.02.13	10,148	182,66,400	1800	12,362	222,51,600	2,214	39,85,200
No sanction was given by Department	-		600 6600	245 256	1,47,000 16,89,600	245 256	1,47,000 16,89,600
Total						3,213	61,09,534

Source: Data provided by the Department

The Department sought the list of persons to whom the bank had released the subsidy only in September 2015, and on verification of the data provided

(July 2016) by the Bank, found (October 2016) that payments amounting to ₹ 61 lakh were released to unauthorized persons in January-February 2013. The Department pursued (between December 2016 and March 2018) the matter unsuccessfully, only at the level of the Chief Manager of the Bank and approached the Zonal Manager only in September 2018, after this was pointed out by audit. The Department has not yet (December 2018) received back the payment of ₹ 61 lakh which was unauthorisedly transferred by the Bank, even after a lapse of more than six years.

Thus, due to absence of mechanism to promptly obtain the list of persons to whom Bank released the subsidy and timely reconciliation of the same with the list of sanctioned beneficiaries, the Department failed to ensure that the subsidy was released only to the sanctioned beneficiaries.

Moreover, the Department failed to escalate the issue timely to higher authorities of the Bank resulting in an amount of ₹ 61 lakh remaining out of the Government account (as on February 2019) for more than four years even after closure of Yojana. The Department also suffered loss of interest of ₹ 12 lakh¹ on account of the amount of ₹ 61 lakh remaining out of the Government account.

The Department stated (October 2018) that it has requested (September 2018) the Zonal Manager to direct the Chief Manager of the Bank to refund the excess amount and interest accrued.

The matter was referred to the Government in August 2018, their reply was awaited (December 2019).

General Administration Department

3.2 Irregular award of contracts of ₹ 1.39 crore

Rejection of tenders on the basis of a minimum service charges criterion which was adopted after receipt of tenders in contravention of GFR provisions and Central Vigilance Commission directions and on the basis of miscalculation of service tax which is a statutory levy and payable as per actuals vitiated the sanctity of the tender system and led to irregular award of contracts amounting to ₹ 1.39 crore.

Rule 180 (iv) of General Financial Rules, 2005 provides that the Ministry or Department should prepare a tender enquiry containing the statutory and contractual obligations to be complied with by the contractor in case of outsourcing of services.

Also, the Central Vigilance Commission (CVC) in its order dated 7 July 2003 reiterated that whatever pre-qualification, evaluation/exclusion criteria etc.

¹ Calculated at saving bank interest rate of 3.5 per cent per annum (₹ 61,09,534 x 3.5 x 69 months (April 2013 to December 2018)/1200)

which the organisation wants to adopt should be made explicit at the time of inviting tenders so that basic concept of transparency and interest of equity and fairness are satisfied.

The General Administration Department (GAD) invited (April 2016) open tenders for providing 23 sanitation workers and one Supervisor for Housekeeping and Sanitation Services at Vikas Bhawan-II, initially for a period of two years, for which five firms submitted their bids. Tender Evaluation Committee (TEC) recommended (5 May 2016) opening of financial bids of four out of the five bids received and evaluation of their financial bids on the criteria that at least ₹ 40,000 per month as service charges are required to meet the requirements specified in the tender document. This minimum amount of ₹ 40,000 per month as service charges had not been conveyed at the time of inviting tenders.

The financial bids were opened on 18 May 2016 and the details of rates quoted by the four firms were as given in **Table 3.2.1**:

Table 3.2.1: Details of rates quoted by firms

(Amount in ₹)

Firm	Designation	Minimum Wages per month	Statuary Liabilities (ESI, EPF, Bonus)	Service Tax	Service Charges		Grand Total
					Per Person	Total	
‘A’	Supervisor (01)	10,582	2,798	46,713	573	41,651	3,79,993
	Worker (23)	9,568	2,530		1,786		
‘B’	Supervisor (01)	10,582	2,798	47,213	700	34,050	3,72,872
	Worker (23)	9,568	2,530		1,450		
‘C’	Supervisor (01)	10,582	2,798	51,334	2,600	62,400	4,05,363
	Worker (23)	9,568	2,530		2,600		
‘D’	Supervisor (01)	10,582	2,798	50,335	2,019	48,456	3,90,420
	Worker (23)	9,568	2,530		2,019		

Source: Departmental records

It was observed that the Committee constituted for evaluation of financial bids rejected the bids of Firm ‘A’, ‘B’ and ‘D’ on the following grounds:

Firm	Grounds of Rejection	Audit Observation
'A'	Quoted ₹ 46,713 for statutory liability (Service Tax) instead of ₹ 48,325 as applicable	The exclusion on the basis of variation between Service Tax quoted and applicable was not justified as the statutory liabilities are paid on actuals, as applicable from time to time.
'B'	Service Charges quoted was less than the ceiling of ₹ 40,000 fixed by the TEC.	Fixing and adopting the evaluation/exclusion criteria of minimum service charges, after receiving the bids, which had not been conveyed at the time of inviting tender was against the provisions of GFR and CVC directions. Also, the basis for fixing the minimum service charges at ₹ 40,000 was not found on record
'D'	Quoted ₹ 50,335 for statutory liability instead of ₹ 49,312 as applicable	The exclusion on the basis of variation between Service Tax quoted and applicable was not justified as the statutory liabilities are paid on actuals, as applicable from time to time.

After rejecting the bids of 'A', 'B' and 'D', the contract was awarded to the highest bidder, Firm 'C', for a period of two years at a cost of ₹ 97.29 lakh. The GAD further awarded (25 May 2016) another contract for providing 10 sanitation workers and one Supervisor for Housekeeping and Sanitation Services at the CM's Camp Office in Civil Lines to the same firm at ₹ 41.75 lakh for a period of two years based on the same tender. The above actions of the Department resulted in irregular award of contracts amounting to ₹ 1.39 crore (₹ 97.29 lakh and ₹ 41.75 lakh).

The GAD stated (May 2017) that the evaluation committee as per its independent assessment had every right to assess the correct service charges and take a decision in this regard. It further stated that the NIT provided that the offers of those bidders which did not meet the statutory requirements were liable to be rejected.

Reply of GAD is not acceptable as exclusion criterion of minimum amount of service charges should have been made explicit at the time of inviting tenders as per the CVC instructions and adoption of the same by the Department at time of opening of bids was in contravention of GFR provisions and CVC directions.

Also, rejection of bids solely based on miscalculation of amount of service tax to be levied was not justified, since service tax is a statutory levy and was payable on actual basis by the Department.

The matter was referred to the Government (July 2018); their reply was awaited (December 2019).

Department of Health and Family Welfare

3.3 Excess expenditure of ₹ 1.66 crore on deployment of excess guards

Engagement of higher number of outsourced security guards, in contravention of Government Orders/Department of Health and Family Welfare Guidelines resulted in excess expenditure of ₹ 1.66 crore.

In terms of instructions issued by the Department of Health and Family Welfare (H&FW), GNCTD in December 2014 regarding deployment of manpower for outsourced services such as Nursing Orderlies, Security Guards etc., if a hospital takes daily deployment of staff as equal to the vacant sanctioned posts, it will end up in engaging higher number of personnel vis-a-vis sanctioned vacant posts since the sanctioned posts also usually include provisions for leave reserve, unless mentioned otherwise. Thus, the total number of guards engaged on rotation across the shifts, 24x7 including holidays etc. cannot exceed the number of vacant sanctioned posts allowed for outsourcing and the hospital has to prepare roster of staff deployment in a manner that the total does not exceed the number of vacant sanctioned posts allowed for outsourcing.

In June 2014, a proposal for engagement of 222 security guards and 11 supervisors at Guru Teg Bahadur Hospital (GTBH) through Directorate General Resettlement (DGR) empanelled agencies was concurred by the Finance Department (FD) and approved by Competent Authority on 28 May 2014 and 2 June 2014 respectively. Thereafter, contracts for providing 222 security guards and 11 supervisors at GTBH was awarded (November 2014) to three DGR empanelled agencies at rates of ₹ 20,193.79 per guard and ₹ 26,342 per supervisor per month for one year (1 December 2014 to 30 November 2015). On completion of the above contract, two agencies were given extensions from time to time up to 28 February 2017. However, one security agency refused to continue its services and the work was awarded (April 2016) to two new agencies for a period of one year which was further extended up to 15 May 2017 and 18 April 2017 respectively.

Audit examination revealed that as per DGR's wage structure; security guards are entitled for one day's paid-rest in a span of seven days and the rate at which the contract was awarded also included the wages to be paid for the reliever who will perform the duty on behalf of the guard on rest. Thus, the rate at which the contract was awarded, was for engagement of security guards on all seven days. Therefore, keeping in view the instructions of DH&FW, GTBH should have reduced the number of security guards deployed daily from the 222 sanctioned.

Special Secretary (Health), while on a visit to the Hospital in February 2015, specifically instructed that all the payments should be restricted within the number of security guards which have been allowed and sanctioned by the

Health Department and the relievers for Sundays and Holidays, if required, are to be from within the sanctioned number.

However, the Hospital engaged 222 security guards on daily basis on all seven days (except during the months December 2015 to March 2016) instead of engaging 190 guards on all seven days which would have restricted the payment within the sanctioned number of 222 posts.

Thus, engagement of 222 security guards on daily basis instead of 190² security guards resulted in deployment of 32 excess guards and excess expenditure of ₹ 1.66 crore on this account during the period from December 2014 to December 2016.

GTB Hospital stated (January 2019) that the competent authority (the Lieutenant Governor) sanctioned 222 security guards at ₹ 19,048/- per month as per the rates applicable for deployment of guards through the DGR and the rate included relieving charges meant for paying guards deployed on Sundays and holidays.

The above reply does not address the issue raised in the audit para that the sanctioned number of posts of 222 also includes leave reserve in terms of Health Department circular dated 12 January 2015 and therefore, the total number of guards deployed, including those deployed on Sundays and holidays, should have been kept within the sanctioned strength.

The matter was referred to the Government in July 2018, their reply was awaited (December 2019).

Directorate of Information and Publicity

3.4 Advertisements by the Government of NCT of Delhi

Non-routing of classified advertisements by PSUs through their administrative departments resulted in non-availing of DAVP rates; and high expenditure on advertisement of foundation stone-laying ceremony of a project when seen against the estimated cost of the project.

The Departments, Autonomous Bodies and Corporations of Government of NCT of Delhi (GNCTD) release creative advertisements to inform the citizens of Delhi about various activities and initiatives undertaken by them for public welfare through print (Newspapers, Magazines etc.), outdoor (hoardings, displays on buses, inside Delhi Metro etc.) and electronic media (TV clips,

² In terms of H&FW instructions of December 2014, the sanctioned posts are presumed to include leave reserve unless mentioned otherwise. No reference to leave reserve was made while sanctioning the 222 posts indicating that this includes leave reserve also. Special Secretary, while on a visit to the Hospital in February 2015 also reiterated the same. In terms of H&FW instructions of December 2014, the daily deployment of SGs should have been 190 (222 x 6/7) SGs with 32 SGs on weekly off on rotation basis so that 190 SGs are available on all seven days of the week without exceeding the total sanctioned strength.

Radio jingles etc.). They also publish public notices, tender notices, recruitment notices etc. as classified advertisements in print media.

Expenditure on creative advertisements of all the Departments of GNCTD is met out of the budget allocation of Directorate of Information and Publicity (DIP). As against a budget estimate of ₹ 365 crore during the years 2016-17 and 2017-18, the actual expenditure incurred on creative advertisements was ₹ 184.03 crore as given in **Table 3.4.1**.

Table 3.4.1: Publicity expenditure of DIP

(₹ in crore)

Year	Budget estimates for publicity	Actual expenditure on publicity	Publicity expenditure as percentage of total expenditure of GNCTD
2016-17	175.00	66.27	0.19
2017-18	190.00	117.76	0.30
Total	365.00	184.03	

Apart from the above, Autonomous Bodies³ and Corporations of GNCTD incurred an additional expenditure of ₹ 28.65 crore and ₹ 7.51 crore respectively on creative and classified advertisements as given in **Table 3.4.2**.

Table 3.4.2: Expenditure on Advertisements

(₹ in crore)

	2016-17	2017-18	Total
Corporations ⁴	3.05	4.46	7.51
Autonomous Bodies	9.69	18.96	28.65
Total	12.74	23.42	36.16

Source: Compiled from budget documents, annual accounts of Corporations and information provided by Autonomous Bodies.

In order to ascertain whether the expenditure on advertisements was being incurred efficiently, effectively and economically and also to assess whether the creative advertisements were in conformity with the guidelines approved by the Supreme Court in May 2015 with regard to content of advertisements, Audit examined records of selected Departments, Autonomous Bodies (ABs) and Corporations for the period from April 2016 to March 2018, during the period from 10 October 2019 to 5 November 2019.

Out of 36 departments which released creative advertisements through DIP during 2016-18, Audit selected four⁵ Departments on the basis of the highest number of creative advertisements released in print media, for

³ In respect of 26 Autonomous Bodies (out of total 58 ABs under the audit jurisdiction of the office), which provided the information relating to their publicity expenditure.

⁴ As per the figures in annual accounts of Corporations, and provisional figures wherever accounts were not finalised.

⁵ Directorate of Information and Publicity (nodal department for all advertisements), Department of Education, Department of Health and Family Welfare and Department of Tourism.

detailed examination. These four Departments accounted for 225, i.e., about 50 *per cent* out of the total 454 creative advertisements released by the 36 Departments of GNCTD.

There are 58 ABs under the audit jurisdiction of this office. Out of these, 14 released creative advertisements during 2016-18 through DIP. Out of these 14, two ABs, viz. Delhi Jal Board and Sahitya Kala Parishad, that accounted for 44 *per cent* of the total number of creative advertisements released by DIP for ABs were selected.

Out of the 19 Corporations of GNCTD, five⁶ corporations were selected on the basis of highest expenditure on advertisements as per their annual accounts for the years 2016-17 and 2017-18. These five corporations accounted for 82 *per cent* of the expenditure booked for advertisements, by all the 19 corporations together.

3.4.1 Audit coverage

The audit team faced constraints in accessing files. In DIP, Audit requisitioned for records pertaining to all the 225 creative advertisements released by the selected four Departments during 2016-18, out of which, records in respect of only 76 advertisements (34 *per cent*) were produced to Audit. As DIP did not make available all the files requisitioned during audit, a comprehensive audit of the expenditure on advertisements and publicity by GNCTD has not been possible.

Out of 65 creative advertisements released by the two selected ABs during 2016-18, records of 62 creative advertisements were made available to Audit by the ABs. As regards Corporations, records relating to 28 out of 30 creative advertisements released by the five selected Corporations were produced to Audit. Besides this, Audit also test-checked 81 out of 197 classified advertisements of these five Corporations.

On scrutiny of the records produced to Audit, the following were observed:

3.4.2 Excess expenditure on classified advertisements at commercial rates by Public Sector Undertakings

After establishing a society named 'Shabdarth' in June 2015 to function as a dedicated advertising agency for the Government, the Government clarified vide OM dated 14 February 2017 that if the Corporations of GNCTD intends to publish its advertisements at non-commercial rates/Directorate of Advertising and Visual Publicity (DAVP) rates through DIP/Shabdarth, it has to route the request through their Administrative Departments.

⁶ Delhi Tourism and Transportation Development Corporation (DTTDC), Delhi Transco Limited (DTL), Indraprastha Power Generation Company Limited (IPGCL), Pragati Power Corporation Limited (PPCL) and Delhi Transport Corporation (DTC).

Audit observed that the five selected PSUs were publishing classified advertisements at commercial rates (through empanelled advertising agencies) instead of routing them through their respective administrative Departments to Shabdarth for publishing them at non-commercial rates/DAVP rates, which were much less as compared to commercial rates. This resulted in excess expenditure of ₹ 1.10 crore in 81 cases test-checked (out of 196 cases) in audit as per details given in **Table 3.4.3**.

Table 3.4.3: Excess expenditure on publishing of classified advertisement at commercial rates

(₹ in lakh)

Sl. No.	Public Sector Undertaking	Number of advertisements test checked	Cost at commercial rates	Cost at DAVP rates	Excess expenditure
1	Delhi Tourism and Transportation Development Corporation	21	16.44	2.28	14.16
2	Delhi Transco Limited	30	49.22	7.88	41.34
3	IPGCL and PPCL*	14	39.71	5.31	34.40
4	Delhi Transport Corporation	16	33.77	13.82	19.95
	Total	81	139.14	29.29	109.85

*Both these Corporations are under the same management and therefore, expenditure is clubbed together

Note: Cost and excess expenditure worked out are exclusive of taxes.

The managements of DTTDC, DTL, IPGCL and PPCL replied that although they had taken up the matter with Shabdarth in December 2015 for publishing classified advertisements, Shabdarth had refused to release them as media houses had refused to publish their advertisements at DAVP rates. However, it is observed that the corporations had not routed their advertisements through their administrative departments as directed in the GNCTD circular, which would have made them eligible to avail DAVP rates while releasing their advertisements through Shabdarth.

Due to not routing classified advertisements by five Corporations through their administrative departments, excess expenditure of ₹ 1.10 crore was incurred, as they could not avail the DAVP rates, which are lower than the commercial rates.

Government replied (January 2020) that Shabdarth could not release advertisements for Corporations at DAVP rates as media houses refused to publish advertisements of Corporations at DAVP rates. While confirming the fact that these advertisements were not routed through their administrative departments, the Government further stated that the outcome would have remained the same nonetheless (if the advertisements were routed through administrative departments).

It is observed from the Government reply that due procedure prescribed in the OM dated 14 February 2017 to release advertisements at DAVP rates was not followed by the Corporations and hence the Corporations were not eligible to avail of DAVP Rates. Since due procedure was not followed, it cannot be presumed that the media houses would have refused to publish advertisements of Corporations at DAVP rates had the conditions in the OM dated 14 February 2017 been adhered to.

3.4.3 Expenditure on publicity of foundation-stone laying ceremony of a project

In terms of Rule 21 of General Financial Rules, which lays down the principles of financial propriety, expenditure should not be prima facie more than the occasion demands. DJB released advertisement for foundation stone ceremony of “Replacement of sewer lines at West Lakshmi Market and Khureji Khas” project at a cost of ₹ 36.55 lakh. This was 17 *per cent* of the total estimated cost of the project, which was only ₹ 2.16 crore. Such high expenditure on advertisements on foundation stone-laying ceremonies when seen against the total project cost was not in consonance with the standards of financial propriety expected in government expenditure.

Government replied (January 2020) that the project impacted a large number of people and hence wide publicity was given to the people about completion of the project. The reply does not address the audit observation which was regarding the high advertisement cost on foundation stone laying ceremony of the project as proportion of the estimated cost of the project.

Labour Department**Delhi Building and Other Construction Workers' Welfare Board****3.5 Avoidable payment of income tax of ₹ 49.13 crore and interest of ₹ 48.51 crore thereon**

Due to poor utilisation of its income for its mandated activities and non-payment of tax in time, the Delhi Building and Other Construction Workers' Welfare Board had to pay income tax and interest amounting to ₹ 97.64 crore which should instead have been spent on welfare activities, besides depriving the building and other construction workers from much needed social security and other welfare measures.

Delhi Building and Other Construction Workers' Welfare Board (the Board) was constituted on 02 September 2002 under the Building and Other Construction Workers (Regulation of Employment and Conditions of Services) Act, 1996 (BOCW Act) with a view to providing and monitoring social security schemes and welfare measures for the benefit of building and other construction workers. For this purpose, the Board collects cess from agencies/individuals undertaking construction work in NCT of Delhi.

The Board was granted registration under Section 12A of the Income Tax Act, 1961 (IT Act), rendering it eligible for exemption from income tax under Section 11 of the Act, subject to the following conditions:

- The Board was required to utilise at least 85 *per cent* of its income during the year for charitable purposes. If the income applied to charitable purposes falls short of 85 *per cent*, such amount by which the applied income falls short will be treated as taxable income.
- The Board was also required to obtain a Permanent Account Number and file income tax returns (ITR) regularly.

Audit observed that utilisation of cess collected by the Board was only in the range of 0.45 to 38.42 *per cent* during the years 2009-10 to 2017-18 (**Appendix 3.5.1**). Due to such poor utilisation of the cess collected, meant for providing social security schemes and welfare measures for building and other construction workers, the cess collected and interest earned thereon accumulated to ₹ 2,465.43 crore as on 31 March 2018.

One of the main reasons for poor utilisation of funds on welfare schemes is that the Board could get only 1.49 lakh workers registered with them as of March 2018, out of an estimated 10 lakh workers in Delhi. The issue of idling of cess fund of ₹ 1,691 crore collected for welfare of construction workers was highlighted in Paragraph 3.9 of Comptroller and Auditor General of India's Audit Report on GNCTD (Non-PSUs) for the year ended 31 March 2016. Also, the Supreme Court has time and again commented on the poor

utilisation of cess being collected by Welfare Boards of various states and also issued (March 2018) general directions to implement the BOCW Act.

Despite this, the percentage of utilisation of cess fund for the welfare of construction workers remained continuously low. As seen from Appendix 3.5.1, the Board failed to utilise at least 85 *per cent* of its income in any of the years thereby rendering it liable for payment of income tax.

Also, the Board, since its constitution in September 2002, has failed to finalise its annual accounts timely. While annual accounts for the years 2002-03 to 2009-10 were submitted together in March 2013 for audit, there have been delays in all subsequent years. The annual accounts of 2017-18 are yet to be submitted to audit.

It was also observed that the Board did not file Income Tax Returns (ITRs) from Assessment Year (AY) 2009-10 onwards, despite getting registered under Section 12A of IT Act to claim exemption from income tax.

Consequently, Income Tax Department (ITD) issued (March 2017) a notice to the Board under Section 148 of IT Act for not filing ITR for the AY 2010-11. In response, the Board filed the ITR for AY 2010-11 in October 2017 showing its taxable income as 'NIL'. However, as the income applied to charitable purposes fell short of 85 *per cent*, ITD passed (December 2017) an Assessment Order (AO) under Section 147 of the IT Act fixing the net tax liability at ₹ 49.13 crore. In addition, interest amounting to ₹ 48.93 crore was also levied under Sections 234A, 234B and 234C of IT Act. Later, the ITD adjusted the total demand from ₹ 98.07 crore to ₹ 97.64 crore.

Thus, due to failure of the Board to utilise 85 *per cent* of its income during the year for charitable purposes, i.e., welfare schemes for labourers and other workers; finalise the annual accounts timely; file ITR; and pay tax in time, the Board had to pay income tax and interest amounting to ₹ 97.64 crore. By not utilising the cess collected, which had accumulated to over ₹ 2,400 crore (March 2018), the building and other construction workers were deprived of much needed social security and other welfare measures.

Further, since the Board has not filed ITRs for years subsequent to 2010-11, the liability on account of income tax and interest thereon is likely to be manifold considering the fact that income utilised for welfare measures was much less than 85 *per cent* in all the subsequent years and no ITR was filed since AY 2010-11.

In its reply (December 2018), the Board attributed the poor utilisation of funds to low registration of workers with the Board and shortage of regular staff as the designated Registering Authorities were officers of the Labour Department who are to perform these functions in addition to the functions of the Department and therefore, could not create adequate awareness among the workers about the benefit of registering with them.

The matter was referred to the Government in August 2018, their reply was awaited (December 2019).

Recommendations:

- *The Government should ensure that 85 per cent of the cess collected during the year is efficiently and effectively utilised on the welfare schemes for the building and other construction workers.*
- *The Board should finalise its annual accounts timely, to ensure accurate computation of its tax liabilities.*
- *The Board should file ITR and pay its income tax liability timely, to avoid payment of penal interest on the tax amount.*

Department of Revenue

3.6 Delay in issuing Supplementary Awards resulted in avoidable payment of interest/liability of ₹ 2.03 crore

Delay in complying with the procedures laid down in the Land Acquisition Act, 1894, for providing timely compensation to the landowners, resulted in payment of avoidable interest of ₹ 21.07 lakh and interest liability of ₹ 181.84 lakh.

Standing instructions issued (May 2006) by Land and Building Department of Government of National Capital Territory of Delhi (GNCTD), while reiterating the provisions of section 11 of the Land Acquisition (LA) Act, stipulated that the Collector shall announce the award within a period of two years from the date of issue of declaration under Section 6 of LA Act. Further, Section 34 of the LA Act, 1894 provides that when the amount of compensation is not paid or deposited on or before taking possession of the land, the Collector shall pay the amount awarded with interest thereon at the rate of nine *per cent* per annum from the time of taking possession until it shall have been so paid or deposited. Provided that, if such compensation or any part thereof is not paid or deposited within a period of one year from the date on which possession is taken, interest at the rate of 15 *per cent* per annum shall be payable from the date of expiry of the said period of one year on the amount of compensation or part thereof which has not been paid or deposited before the date of such expiry.

Audit observed that the Land Acquisition Collector (North) issued five Supplementary Awards during the years 2015-16 and 2017-18 for paying compensation to the land owners for trees, plants and structures existing on the land acquired by the Government which was not included in the original award. The supplementary awards were issued on the basis of valuation reports submitted by the Horticulture Department/Public Works Department (PWD) which were not received during preparation of Original Award except in one case (Supplementary Award no.2A of Table 3.6.1) wherein valuation report was received prior to declaration of original award. The details of the

Original/Supplementary Awards made by the Land Acquisition Collector (LAC) are given in **Table 3.6.1**.

Table 3.6.1: Details of the Original/Supplementary Awards made by the Land Acquisition Collector

(Amount in ₹)

Supplementary Award ⁷ no. and Date of Award	Date of Declaration u/s 6	Due date for Award	Date of Original Award	Date of Possession	Date on which letter issued for valuation of plants, trees and structures	Date of receipt of valuation report	Amount on which interest to be paid	Avoidable ⁸ interest paid/ interest liability
5B/05.04.17	19.03.04	18.03.06	10.06.05	22.08.05	06.02.07	09.03.07	7,84,343	12,68,121
12E/09.10.15	19.03.04	18.03.06	05.08.05	06.10.05	25.01.06	27.09.06	5,98,583	8,38,639
12F/28.04.17	19.03.04	18.03.06	05.08.05	06.10.05	06.02.07	09.03.07	14,08,600	25,30,964
8A/05.01.16	22.02.07	21.02.09	16.02.09	22.11.10	21.01.09	05.04.10	1,42,066	1,51,797
2A/05.05.17	12.02.10	11.02.12	07.02.13	03.04.12	31.10.11	16.12.11	1,79,44,704	1,55,01,275
								2,02,90,796

Source: Departmental records

From the table, it can be seen that in three cases (5B, 12E and 12F) the Department approached the Horticulture Department/PWD for valuation after declaration of original award and though valuation reports were received back within periods ranging from one to eight months, Department issued supplementary awards only after more than nine years. In one case (8A), the letter for valuation was issued at towards the end of stipulated time, resulting in receipt of valuation report after issuing original award but Department issued supplementary award after more than five years of receipt of valuation report. Further, in case of award no. 2A, the valuation report was received prior to declaration of original award, however, the same was not taken into consideration while determining the compensation. These delays ranged between five and a half years to ten years and resulted in avoidable payment of interest of ₹ 21.07 lakh and interest liability of ₹ 181.84 lakh (up to May 2018) on the compensation payable to the land owners under the LA Act.

Thus, failure of the Department in assessing and paying the compensation within the period stipulated in the Act resulted in avoidable payment of interest and liability of ₹ 2.03 crore.

The DC office while accepting the facts stated (July 2018) that in four cases (5B, 12E, 12F and 8A), the said villages were in North-West District and came into territorial jurisdiction of District North only in October 2012 and that a standing order was issued by the Secretary (Revenue) office not to

⁷ Payment of compensation in respect of award nos. 5B and 12E have been made on 26.09.2017 and 02.06.2017 respectively whereas in remaining three cases compensation is yet to be paid.

⁸ Avoidable interest has been calculated from the due date by which the award was to be announced as per the Act.

announce any supplementary award. It further added that due to huge pendency of cases, supplementary awards could not be processed and the valuation reports were misplaced somewhere. Later, the interested persons filed writ petition in the High Court, and then supplementary awards were issued. In the remaining one case (2A) of award, the valuation report was inadvertently not placed in file at the time of the original award, and supplementary awards were announced after the direction⁹ of the High Court except in one case. The DC office, however, informed that it is in the process of identifying the delinquent officials who were/are responsible for such negligence on their part as to why the valuation reports were not placed after receiving the same from PWD/Horticulture Department for the announcement of supplementary awards.

Reply of the Department is not satisfactory as the standing instructions issued in July 2005/May 2006 were reiterated by the Land and Building Department, GNCTD in February 2012 which clearly stipulates that while determining the compensation, the LACs should get the valuation of the structures done from PWD. and that of the cost of plants and trees etc. from the Horticulture Department and these should be included in the main award to avoid announcement of supplementary award. Thus, the Department had not adhered to the instructions of the Land and Building Department and thereby failed in issuing the supplementary awards in time after receipt of the valuation reports. Further, in three cases it did not make payment of compensation to land owners despite issue of supplementary awards, thereby increasing the interest liability.

The matter was referred to the Government in June 2018/January 2019, their reply was awaited (December 2019).

⁹ Supplementary award no./date: 12F/9.2.2016, 8A/6.1.2015, 5B/18.1.2016 and 2A/25.4.2016

Department of Social Welfare

3.7 Non-completion of Old Age Homes and also avoidable payment of ₹ 1.30 crore to DDA for extension of time for construction.

Frequent revision in the drawings and design for Rohini Old Age Home (OAH) has resulted in the OAH being only at the tendering stage even after 21 years of acquiring land. In case of Kanti Nagar OAH, frequent changes of executing agencies have resulted in the OAH not being completed even after 12 years of taking possession of the land. The delay also resulted in avoidable payment of composition fee amounting to ₹ 130.14 lakh to DDA apart from depriving the elderly people of Delhi from the much needed social security of staying in the OAHs.

One of the responsibilities of the Social Welfare Department (Department) is to provide social security for the aged through a network of residential care homes. The Department has so far established only two Old Age Homes (OAHs), one at Bindapur with a capacity of 50 occupants, being run by the Department and another at Lampur, with a capacity of 30 occupants, in collaboration with Delhi Brotherhood Society¹⁰. Besides these two OAHs, the Department had taken possession of two plots at Rohini IV and Kanti Nagar in March 1997 and August 2006 respectively for construction of Old Age Homes. As per conditions of allotment, the construction was required to be completed within a period of two years from the date of taking over physical possession of the plots.

a) Rohini Old Age Home:

The Department took possession (March 1997) of a plot of land measuring 3,576 square meter from Delhi Development Authority (DDA) at a cost of ₹ 17.67 lakh for construction of an OAH at Rohini IV with a capacity of 176 occupants.

The Department entrusted (March 1997) the construction work to Public Works Department (PWD). After receiving the preliminary drawings from PWD in September 1998, Department revised the drawings twice till May 2005. The MCD suggested changes in these drawings and PWD revised (April 2008) the drawings accordingly. Thereafter, the Department again revised the drawings thrice till October 2015. The MCD approved the drawings in February 2017. Administrative Approval and Expenditure sanction of ₹ 12.49 crore was accorded in March 2018.

In the meantime, the Department had to obtain extension of time (EOT) from DDA for construction twice as the stipulated time was over and for this; it had to pay ₹ 116.39 lakh as composition fee.

¹⁰ A Non-Governmental Organisation

Revision of preliminary drawings five times contributed to delay of more than 21 years in construction of the Rohini OAH and also avoidable expenditure of ₹ 116.39 lakh as composition fee paid to DDA. The project initiated in March 1997 was still at tendering stage (June 2018) even after a lapse of 21 years and has deprived the old people of Delhi from the much needed social security and facilities of OAH.

b) Kanti Nagar Old Age Home

The Department took possession (August 2006) of a plot of land measuring 1550 square meter from DDA at a cost of ₹18.54 lakh for construction of an OAH at Kanti Nagar, Delhi with a capacity of 117 occupants.

The Department changed the implementing agency for the construction work multiple times (from PWD to DTTDC and then to IFCD and then back again to PWD) and finally, the work was entrusted to PWD in February 2012 and a conceptual plan prepared by PWD was approved (February 2013) by the Department. However, the plan was revised by Department in April 2014 by changing the design and area and modified drawing was submitted by the PWD in June 2016 which was approved in August 2016. In the meantime, AA&ES of ₹ 5.79 crore (September 2015) was issued in favor of PWD.

Since the stipulated period of construction was over, the Department had to pay composition fee amounting to ₹ 13.75 lakh to DDA for EOT up to 30 June 2018. As of June 2018, the work was in progress and further necessity of EOT with payment of composition fee cannot be ruled out.

Frequent changing of the executing agency resulted in delay in construction of the Kanti Nagar OAH which is incomplete even after 12 years of taking possession of the land. The delay also resulted in avoidable payment of composition fee of ₹ 13.75 lakh to DDA and has deprived the old people of Delhi from the much needed social security and facilities of OAH.

Thus, the inordinate delay of 21 years in construction of Rohini OAH and 12 years in case of Kanti Nagar OAH resulted in avoidable payment of composition fee amounting to ₹ 130.14 lakh to DDA apart from depriving old people of Delhi from the much needed social security.

On being pointed out, the Department stated (February 2019) that the delay in case of Rohini old age home was due to absence of proper entry to the plot, delay in approval of building plans and disagreement between PWD and Finance Department with regard to inclusion of cost index in estimates. It was also stated that the Department of Social Welfare is only responsible for handing over the site to the construction agency and the delay is on the part of PWD. It also stated that the construction of the Old Age Home is expected to be complete in 18 months. With regard to the old age home at Kanti Nagar, the delay was attributed to frequent change of agency for construction and

change in building plans at different stages. Further, the change in agency was decided at the level of Minister. The reply also stated that as per information provided by PWD, work is almost complete.

The reply of the Department is not satisfactory as the sequence of events and action taken indicates poor planning and coordination. The issue of absence of proper entry to the plot at Rohini should have been addressed before/while taking possession of the land. Other reasons for delay given by the Department are all administrative in nature and do not justify delays of more than 21 years and 12 years in case of Rohini and Kanti Nagar OAHs, which were required to be completed by March 1999 and August 2008 respectively. As a result of these delays, the elderly persons, who would have availed the security of stay in these OAHs have been deprived of the facility till date.

The matter was referred to the Government in September 2018, their reply was awaited (December 2019).

Department of Urban Development

3.8 Affordable housing projects for urban poor under Basic Services to the Urban Poor (BSUP)-JNNURM

The sub-mission “Basic Services to the Urban Poor” (BSUP) of the Central Scheme “Jawaharlal Nehru National Urban Renewal Mission” (JNNURM) had a component of projects for affordable housing for urban poor. The scheme was initially for a period of seven years from 2005-06 to 2011-12. However, it was extended up to 31 March 2017 for completion of those projects, which had been sanctioned up to March 2012.

The implementation of housing projects suffered from lack of planning from the conceptualization stage itself, as all the 14 housing projects of DSIIDC and DUSIB were confined to only four districts of Delhi even though 461 of the 675 targeted Jhuggi Jhopri clusters were in the remaining seven districts of Delhi. Also, instead of small clusters evenly spread all over Delhi, housing projects with large number of Dwelling Units were planned.

The DSIIDC and DUSIB executed 14 housing projects with 52,344 Dwelling Units but four of these 14 projects with 24,000 Dwelling Units remained incomplete even after more than one year of closure of the scheme, resulting in the expenditure of ₹ 755.26 crore incurred on these four projects remaining infructuous.

Further, GNCT of Delhi could identify only 5,483 beneficiaries, out of which only 1,864 beneficiaries were rehabilitated to the dwelling units constructed under the scheme till August 2018. Thus, due to delay in identifying beneficiaries, more than 90 per cent of the 28,344 Dwelling Units completed till June 2018 at a cost of ₹ 1,101.36 crore were lying unallotted, unoccupied and vulnerable to deterioration.

The objectives of the scheme remained unfulfilled even after 10 years of launching of the scheme and one year of its closure. This was mainly due to deficiency in planning and execution of the projects and poor progress in identification of beneficiaries.

3.8.1 Introduction

The Ministry of Housing and Urban Poverty Alleviation (MoHUPA), Government of India (GoI) launched a scheme called “Jawaharlal Nehru National Urban Renewal Mission (JNNURM)” in December 2005 for development of infrastructure in cities for a period of seven years till March 2012. The scheme was later extended up to 31 March 2017 for completion of the projects sanctioned till March 2012. One of the sub-missions of JNNURM was “Basic Services to the Urban Poor (BSUP)” which had a component of ‘Houses at affordable cost for Urban Poor, slum dwellers etc.’. Under this

component, States propose various housing projects for urban poor to the Central Sanctioning and Monitoring Committee (CSMC) of the MoHUPA, GoI for sanction. Land for these projects was to be provided by the State Governments and cost of these projects (excluding land cost) was to be shared by the Central and State Governments at the ratio 50:50. Out of the state share, beneficiaries were to pay an amount of ₹ 1.12 lakh (fixed) per DU at the time of allocation and handing over possession of the Dwelling Units (DU) to them. In case of allocation of DUs to slum dwellers being relocated from Jhuggi Jhopri (JJ) Clusters, the agency owning the land on which these slum dwellers were residing, was to bear a part of state share which was fixed by the State Government from time to time. As per the latest rehabilitation policy of 2015, the land owning agencies have to bear the entire State share excluding the contribution to be made by the beneficiaries.

In the National Capital Territory of Delhi (NCTD), the GoI had sanctioned 23 housing projects, out of which seven projects were dropped¹¹ at later stages due to various reasons. Out of the remaining 16 housing projects with 55,424 Dwelling Units, eight projects were entrusted to Delhi State Industrial Infrastructure Development Corporation (DSI IDC), six projects to Delhi Urban Shelter Improvement Board (DUSIB), and one project each to Delhi Development Authority and New Delhi Municipal Council.

As of 31 March 2018, the status of funds released to DSI IDC and DUSIB through the Urban Development Department (UDD), Government of NCTD, and the expenditure incurred against it, is given in **Table 3.8.1**:

Table 3.8.1: Funds released and expenditure

(₹ in crore)

Implementing Agency (IA)	Project Cost	Allocation by GoI	GoI share released to GNCTD (A)	Contribution of GNCTD (B)	Total Release to IA (A+B)	Total expenditure
DSI IDC	1,509.66	680.40	689.44	433.11	1,122.55	977.27
DUSIB	906.17	428.46	315.93	579.21	895.14	879.45
Total	2,415.83	1,108.86	1,005.37	1,012.32	2,017.69	1,856.62

Source: Departmental records

An audit of projects implemented by DSI IDC and DUSIB was conducted during April to August 2018 with a view to assess whether these housing projects were executed by DSI IDC and DUSIB efficiently and effectively and houses constructed were allotted to the intended beneficiaries timely. For the purpose of audit, records of the Urban Development Department, DSI IDC and DUSIB were test checked. Out of the 10 completed housing projects of DSI IDC and DUSIB, Simple Random Sampling method was adopted for

¹¹ Six projects (Kanjhawala, Samaspur, Deramandi, Jonapur, Neb Sarai and Nangli Sakrawati) of DSI IDC and one project (Rohini) of DUSIB were dropped due to non-availability of land, encroachment and litigation.

selection of four¹² housing projects with 19624 Dwelling Units, for detailed scrutiny. Audit also examined the records related to four¹³ incomplete housing projects (24000 Dwelling Units), to review the reasons for the delay. Joint inspection of selected housing projects was also conducted during May to July 2018 along with the officers of DSIIDC and DUSIB.

Audit Findings

3.8.2 Conceptualisation of projects

As per Master Plan Delhi 2021 (MPD-2021) of February 2007, sites for relocation of slum dwellers should be identified with a view to develop relatively small clusters in a manner that they can be integrated with the overall planned development of the area, particularly keeping in view the availability of employment avenues in the vicinity as very large resettlement sites could lead to a phenomenon of planned slums. Out of the 16 housing projects implemented under JNNURM, 15 were meant for relocation of slum dwellers. Though there is no definition for large clusters, Audit noticed that five of these projects consisted of 1,000 to 5,000 Dwelling Units (DUs) and six projects consisted 5,001 to 7,620 DUs. There were two projects each at Poothkhurd and Tikri Kalan which were adjacent to each other creating clusters of 10,140 DUs and 10,300 DUs respectively.

Further, as per BSUP modified guidelines of February 2009, care was to be taken to ensure that the urban poor are provided housing near their place of occupation. Out of the 15 projects taken up under JNNURM for relocation of slum dwellers, nine projects with 37,740 Dwelling Units were approved after these guidelines were issued. However, this aspect was not kept in view while conceptualising these projects.

Out of the sixteen projects implemented under the scheme, seven were located in North District, three in West, four in South West District and two in North West District. Thus, no project was recommended in the remaining seven revenue districts though 461 out of the total 675 JJ clusters in Delhi were located in these districts. Moreover, huge clusters of 7,400 DUs, 10,140 DUs, 10,300 DUs and 7,620 DUs were planned in Bhalaswa (North District), Poothkhurd and Bawana Phase-III (North District), Tikri Kalan (North District) and Savda Ghewra (North West District) respectively.

The latest Rehabilitation Policy of 2015 formulated by the Government of NCT of Delhi also provides that the slum dwellers will be rehabilitated in-situ within five kilometers and only in exceptional circumstances, with the

¹² Two projects at Ghogha and Baprola (7,104 Dwelling Units) and Poothkhurd Phase I (3,840 Dwelling Units) of DSIIDC and two projects at Sultanpuri (1,060 Dwelling Units) and Savda Ghevra (7,620 Dwelling Units) of DUSIB.

¹³ Poothkhurd Phase-II, Poothkhurd Phase-III and Tikri Kalan of DSIIDC and Bhalaswa-Jahangirpuri of DUSIB

approval of DUSIB, relocation of slum dwellers beyond five kilometers could be done.

Thus, due to location of projects in only four districts of NCTD, instead of small projects evenly distributed among all parts of Delhi, GNCT of Delhi was not in a position to rehabilitate the slum dwellers in-situ in the houses constructed under JNNURM.

In reply, the Government stated (December 2019) that although Master Plan 2021 emphasised in-situ rehabilitation of slum dwellers, initial focus under JNNURM was to rehabilitate/relocate the slum dwellers as per the approved policy and the houses were constructed on the land parcels which were available with DUSIB and DSIIDC. Reply should be seen in view of the BSUP guidelines (February 2009) which mentioned that the urban poor be provided housing near their place of occupation, but this was not taken into consideration even in the nine projects which were sanctioned after notification of BSUP guidelines in February 2009.

The Government of NCTD had formed (February, 2006) a State Level Steering Committee (SLSC) under UDD to approve projects before submission to the CSMC. However, it was observed that out of 14 housing projects implemented by DSIIDC and DUSIB, nine projects were submitted to CSMC, MoHUPA, GoI without obtaining prior approval of SLSC, UDD, GNCTD. This indicates inadequate assessment of projects at state level before submitting them to the CSMC for approval.

Audit also observed that though BSUP guidelines envisaged identification of beneficiaries as part of project preparation, it was not done for any of the projects. While granting approval of projects, CSMC had also remarked that GNCTD has not provided the list of beneficiaries along with the detailed project reports and directed GNCTD to comply with the same. However, the instructions were not complied with by GNCTD.

The project proposals did not comply with requirement of identification of beneficiaries as part of project preparation. Progress in identification of beneficiaries was poor (details in Paragraph 3.8.4), and only 90 out of already completed 5,568 DUs had been allotted (as of January 2011). Despite poor allotment and large number of dwelling units remaining unoccupied, the Government approved eight more housing projects¹⁴ with 44,240 DUs during December 2010-June 2011 without ensuring commensurate progress in identification of beneficiaries.

As of August 2018, against total 28,344 DUs available for allotment, GNCTD had identified only 5,483 beneficiaries for rehabilitation to the dwelling units constructed, out of which only 1,864 were actually rehabilitated as of August

¹⁴ Poothkhurd Ph-I (6,480 DUs), Ph-II (4,560 DUs), Ph-III(7,720 DUs), Tikri kalan(8,420 DUs), Savda Ghewra (7,620 DUs), Dwarka Ph-II(980 DUs), Sultanpuri (1,060 DUs), Bhalaswa 7,400 DUs).

2018. As a result, more than 26,000 DUs (i.e. 93 per cent of the constructed DUs) were lying vacant, and deteriorating due to natural wear and tear and theft.

3.8.3 Implementation of housing projects

The status of 14 projects executed by DSIIDC and DUSIB is given in Table 3.8.2.

Table 3.8.2: Status of Projects of DSIIDC and DUSIB as on 31 August 2018

Implementing agency		Sanctioned	Completed	Incomplete
DSIIDC	DUs	34,260	17,660	16,600
	Projects	8	5	3
DUSIB	DUs	18,084	10,684	7,400
	Projects	6	5	1
Total	DUs	52,344	28,344	24,000
	Projects	14	10	4

Source: Information provided by the Department

Thus, out of the total 14 housing projects with 52,344 Dwelling Units to be executed by DSIIDC and DUSIB, only 10 projects with 28,344 Dwelling Units have been completed (August 2018) i.e., only 54 per cent of the Dwelling Units have been constructed even after more than one year of closure of the JNNURM in March 2017.

3.8.3.1 Projects under Delhi State Industrial Infrastructure Development Corporation (DSIIDC)

Summary of status of eight projects entrusted to DSIIDC as of August 2018 is given in Table 3.8.3.

Table 3.8.3: Details of housing projects of DSIIDC

Sl. No.	Project Name	Approval by CSMC	Month of start	Stipulated month of completion	Month of completion	Delay in months
1	Bawana (1184)	June 2007	February 2007	August 2008	December 2008	4
	Narela (1412)		March 2007	September 2008	May 2011	32
	Bhorgarh (1272)		February 2008	October 2009	January 2011	15
2	Ghogha (3680)	October 2008	August 2007	September 2008	December 2010	27
	Baprola-I (3424)		February 2008	November 2009	February 2013	39
3	Baprola-II (2144)	October 2008	February 2008	November 2009	February 2013	39
4	Bawana (704)		August 2007	September 2008	December 2010	27
5	Poothkhurd-I (3840)	December 2010	October 2011	April 2013	October 2016	43
6	Poothkhurd-II (4560)		March 2012	September 2013	Incomplete	58
7	Poothkhurd-III (6300)		October 2011	April 2013	Incomplete	62
8	Tikri Kalan-I (5740)	June 2011	December 2012	December 2013	Incomplete	54

Source: Departmental records

As seen from the table, out of eight projects, five projects have been stated as complete and three projects are incomplete. Deficiencies observed in the five projects (two completed and three incomplete) selected for detailed scrutiny are brought out in the succeeding paragraphs.

(i) Completed housing project of “3,680 DUs at Ghogha, North District and 3,424 DUs at Baprola Phase-I, South-West District”

The CSMC sanctioned a housing project to construct 3,680 DUs at Ghogha, 3,616 DUs at Kanjhawla and 3,424 DUs at Baprola Phase-I in June 2007. The DUs at Ghogha and Baprola Phase-I were executed by Agency-A and Agency-B respectively. However, DUs at Kanjhawla could not be taken up due to failure of DSIIDC to provide encumbrance-free site. Audit observations regarding the construction of 3,680 and 3,424 DUs at Ghogha and Baprola Phase-I respectively are detailed below:

(a) Housing project of 3680 Dwelling Units at Ghogha, North District

DSIIDC had invited (April 2007) tenders for construction of 5,008 DUs at ‘Ghogha, Kanjhawla, Narela and in the vicinity of North-West Delhi’ and after due tendering process, awarded (July 2007) the work to Agency-A. Audit, however, observed that this project had not been sanctioned by SLSC and CSMC and thus, tendering and award of work without proper sanction was irregular.

Meanwhile, CSMC had sanctioned (June 2007) a project for 3,680 DUs at Ghogha, 3,616 DUs at Kanjhawla and 3,424 DUs at Baprola Phase-I. The work of 3,680 DUs at Ghogha and 3,616 DUs at Kanjhawla were then assigned to Agency-A against the work of 5,008 DUs awarded to it. However, the work of 3,616 DUs at Kanjhawla was later dropped due to failure of DSIIDC in ensuring encumbrance-free land.

Subsequently, along with the work of 3680 DUs at Ghogha, work of 704 DUs at Bawana was also assigned (January 2008) to Agency-A as part of the work awarded to Agency-A for 5008 DUs. Audit, however, observed that the project of 704 DUs at Bawana was sanctioned by CSMC in October 2008 i.e. eight months after the same was assigned to Agency-A. Since the work of DUs at Bawana was assigned eight months prior to its sanction by CSMC, it was irregular.

Hence, against the work order for 5,008 DUs at ‘Ghogha, Kanjhawla, Narela and in the vicinity of North-West Delhi’, 3,680 DUs at Ghogha and 704 DUs at Bawana were executed. Thus, non-ensuring of availability of land at the stage of preparation of Detailed Project Report resulted in non-implementation of the project as approved by the CSMC.

Other deficiencies observed in the project are as follows:

- As per CPWD Manual, payment of escalation cost on account of increase in cost of construction materials other than cement and steel were not admissible for contracts having completion period below 18 months whereas for contracts with period above 18 months, escalation cost on all materials were admissible. With an intent to curtail expenditure on escalation cost payable, CSMC had instructed (October 2007) that maximum period for completion of projects should be kept below 18 months.

The work of 5,008 DUs at 'Kanjhawla, Narela, Ghogha and in the vicinity of North-West Delhi' under which construction of 3,680 Dwelling Units at Ghogha and 704 Dwelling Units at Bawana was taken up, was stipulated to be completed in 12 months from the date of award (July 2007). However, the work was awarded without specifying the number of DUs to be constructed at each location and ensuring availability of encumbrance-free land. As a result, though the work was awarded in July 2007, the work could start only in May 2008 i.e. after a delay of 11 months, due to failure of DSIIDC to provide encumbrance-free land.

Due to delay in providing the site by DSIIDC to Agency-A, DSIIDC extended (May 2008) the period of contract by 11 months, allowing payment of escalation cost of materials other than cement, steel and labour also to the contractor as the period of contract exceeded 18 months. DSIIDC incurred an expenditure of ₹ 2.17 crore on account of escalation cost on other materials due to the delay. This was avoidable if the work was awarded after ensuring availability of encumbrance-free site.

- As per Section 2.3.4 of CPWD works manual, material deviations that significantly alter the scope of work from the original sanction should not be made without the approval of the authority that accorded administrative approval to the work, even though the cost of the same may be covered by savings on other items.

As per Section 3.6 of CPWD Manual, the scope of work should not be altered without written permission of the client in case of deposit work.

Audit observed that DSIIDC reduced the cost per Dwelling Unit of Ghoga and Bawana projects from ₹ 2.25 lakh to ₹ 2.00 lakh by modifying the specifications¹⁵ of the structure of houses with a total reduction in quantities/specifications amounting to ₹ 12.74 crore. Since

¹⁵ (i) reduction in thickness of wall from 125 mm to 100 mm, (ii) change in door shutter for Bath and toilets from flush to PVC, (iii) Changes in window material, (iv) PVC pipe fittings in place of CI pipe, (v) changes in internal electrification and (vi) deletion of mummy and instead providing trap door for non-accessible roof, thereby reduction in height of parapet wall and staircase flight from 3rd floor to terrace.

the modifications resulted in material deviations from the specifications approved by the CSMC, fresh approval of the CSMC was required. However, the modifications were implemented without obtaining the approval of CSMC.

Government stated (December 2019) that the changes were made as per the suggestion of the consultant keeping in view the safety of the design etc. Reply is not acceptable since any material deviation has to be first approved by the CSMC. Moreover, the structural study was not conducted by any Government or authorized agency.

- Along with the construction of Dwelling Units, the project approved by CSMC comprised of facilities of primary school, community centre, park, sewage treatment plant and connectivity with DJB water supply. Audit, however, observed that these facilities were neither part of the work awarded to Agency-A nor have been executed separately.

Government stated (December 2019) that land for construction of school building has already been handed over to the Education Department and other facilities were not provided due to shortage of funds.

(b) Housing project of 3,424 Dwelling Units at Baprola Phase-I, South West District

The CSMC had sanctioned (June 2007) the project comprising of 3,424 DUs at Baprola Phase-I and this work was awarded (January 2008) to Agency-B at a cost of ₹ 113.45 crore. Audit observed that along with Baprola Phase-I, DSIIDC irregularly assigned the work of 2,144 DUs at Baprola Phase-II as well to Agency-B, even though the Baprola Phase-II work was sanctioned by CSMC only eight months later in October 2008. This indicates that DSIIDC had irregularly awarded the work for construction of 2,144 DUs at Baprola Phase-II even before its sanction by the competent authority.

Further, audit observed that though the single bid received was 85 *per cent* above the estimated cost of ₹ 61.32 crore, DSIIDC awarded the work to the single bidder i.e. Agency-B, without retendering. Government stated (December 2019) that the work was awarded without retendering due to urgency of work and that the awarded cost was within five *per cent* of justification cost which was within the limit prescribed under CPWD works manual. Reply is not tenable, as the urgency was not evident since the work was completed with a delay of 39 months.

Also, though the CSMC had instructed to keep the maximum period for project completion below 18 months, the stipulated period of completion of these projects was kept as 21 months in violation of the CSMC instructions.

As per CPWD Manual, escalation payment of construction materials other than cement, steel and labour were not admissible for contracts having a

contract period below 18 months, but for contracts with contract period above 18 months escalation cost on all materials were admissible. DSIIDC incurred an expenditure of ₹ 2.10 crore as cost escalation on materials other than cement, steel and labour, which could have been avoided, if Baprola Phase-II had not been irregularly combined with Baprola Phase-I while tendering and awarding the work. Separate tendering and awarding of Baprola Phase I and for Baprola Phase-II would have kept the stipulated period for completion of each work below 18 months.

Along with the construction of DUs in Baprola Phase-I and Baprola Phase-II, the project approved by CSMC comprised facilities of primary school, park, sewage treatment plant and connectivity with DJB water supply. However, these facilities were neither part of the work awarded to Agency-B, nor have been executed separately.

Hence, though, DSIIDC states the project of Ghogha, Bawana, Baprola Phase-I and Phase-II as complete, these cannot be defined as complete since the facilities of primary school, park, sewage treatment plant and connectivity with DJB water supply, approved by CSMC, are yet to be provided.

(ii) Completed housing project of 3,840 Dwelling Units at Poothkhurd Phase-I, North District

The CSMC had sanctioned (December 2010) the project for construction of 6,480 DUs at Poothkhurd Phase-I and the work was awarded to Agency-C at a tendered cost of ₹ 253.22 crore in October 2011 after due tendering process. The work was stipulated to be completed in 18 months i.e. by April 2013. The scope of work was later reduced to 3,840 DUs due to non-availability of encumbrance-free site. Audit observed the following deficiencies in execution of the project:

- Though the work was awarded in October 2011, the consultant provided the drawings for infrastructural works only in June 2013. Meanwhile, DSIIDC sought (February 2012) permission of the Department of Forest and Wildlife, GNCTD for cutting of trees, which was granted in May 2014. However, due to land constraints, DSIIDC decided (December 2014) to reduce the scope of work from 6,480 Dwelling Units to 3,840 Dwelling Units and construction of these 3,840 Dwelling Units was completed in October 2016. Audit observed that since the trees were already existing at the project site, this fact should have been brought out in the Detailed Project Report (DPR) itself, which was submitted to CSMC.

Thus, failure of the consultant in properly surveying the site while preparing the DPR and the delay in providing drawings for infrastructure work resulted in not only reduction in the scope of work but also delay

in execution of the work. However, DSIIDC did not levy penalty on the consultant for not preparing the DPR as per actual site conditions.

Government stated (December 2019) that the issue of existence of trees and permission for their removal was taken up with Forest Department in February 2012 but the number of dwelling units had to be reduced and consultant had to resubmit the drawings as the permission was not granted in time. The reply is not tenable as the availability of clear site was not ensured before approval of NIT and award of work as required under Section 15.1(2) (i) of CPWD Works Manual.

The project was sanctioned in December 2010 and the work was awarded in October 2011, but permission for tree cutting was sought only in February 2012.

As per section 3.6 of CPWD Works Manual, in case of deposit work, the scope of work should not be altered without written permission of the client. As per the approved DPR, there was no provision for approach staircase to the terrace. However, the contractor constructed approach to terrace in 118 blocks and DSIIDC approved the unauthorized deviation of work amounting to Rupees two crore in this regard without obtaining approval of CSMC for the additional work.

Government replied (December 2019) that roof was made accessible as per fire requirement. The reply was not acceptable because the facilities to comply with the fire requirement norms should have been part of DPR and even if deviations are made afterwards, approval of client/competent authority is required.

- Along with the construction of DUs in Poothkhurd Phase-I, the project, as approved by CSMC, also envisaged facilities of primary school, community centre, park, informal sector market and recycled water supply. However, neither were these included in scope of work awarded to Agency-C nor have been executed separately.

On comparison of the works executed, and the scope of work as approved by CSMC, audit is of the view that though DSIIDC states that the project is complete, it is yet to be completed due to non-execution of facilities of primary school, community centre, park, informal sector market and recycled water supply.

(iii) Incomplete housing project at Tikri Kalan, West District

CSMC sanctioned (June 2011) the housing project of 8,420 Dwelling Units at Tikri Kalan for a total project cost of ₹ 490.21 crore. However, the scope of the project was later reduced (September 2012) to 6,740 Dwelling Units costing ₹ 307.94 crore by DSIIDC as some portion of the land was under litigation/encroachment but this was not taken into account while preparing the Detailed Project Report (DPR). Later, the project at Poothkhurd Phase-II

was shifted to near the location of this project and as a result, land available for Tikri Kalan was further reduced.

DSI IDC split the project into two packages of 3,360 Dwelling Units and 3,380 Dwelling Units with the intention of completing the projects in a short period, and issued (June 2012) NsIT for both the packages. However, same contractor i.e. Agency-D was found to be the lowest bidder for both the packages and was awarded (December 2012) works of both the packages.



Picture 1: Project at Tikri Kalan lying incomplete

On examination of records, audit observed that one of the eligibility criteria for bidding was submission of Solvency Certificate (financially sound certificate) issued by Bank, for at least 40 *per cent* of the estimated cost of the work. Accordingly, solvency certificate for at least ₹ 123.18 crore was required to be submitted but since the project was split into two packages with estimated cost of ₹ 151.93 crore and ₹ 156.01 crore, solvency certificates of ₹ 60.77 crore and ₹ 62.40 crore were required for the two packages.

Audit observed that Agency-D had submitted a solvency certificate of ₹ 63 crore, which made it eligible for both the individual packages but Agency-D would have been rendered ineligible if the project was not split into two packages.

Thus, awarding both the packages to Agency-D, which was otherwise ineligible for overall project, defeated the objective of splitting the project in two packages.

Both the packages were stipulated to be completed by December 2013 but scope of work was later reduced (November 2014) to 5,740 Dwelling Units (2,720 and 3,020 Dwelling Units respectively) due to non-availability of land. However, despite the reduction in scope, Agency-D could achieve progress of only 58 *per cent* and 41 *per cent* in Package-I and Package-II respectively with nil progress since July 2017. This indicates that award of both packages to same Agency whose solvency certificate was adequate for only individual packages, resulted in undue delay in completion of the project.

Audit further observed that in spite of the work being in a standstill since July 2017 and an expenditure of ₹ 153.28 crore already incurred, DSI IDC did not initiate any action against the contractor, i.e. to rescind the contract and award the work to another contractor at the risk and cost of the defaulted contractor.

It was also noticed that Agency-D got validity of its enlistment in CPWD extended up to 31 March 2020 (May 2018) with tender limit of ₹ 30 crore despite its poor performance in these projects.

Government stated (December 2019) that solvency provided for ₹ 63 crore was 40 *per cent* of estimated cost of each of the bifurcated work. As regards, inaction on the part of DSIIDC, it stated that a penalty of ₹ 29.55 crore has been imposed. The reply is not tenable as the solvency certificate submitted was not sufficient to take up both the works together, resulting in failure of the project.

(iv) Incomplete housing project of 4,560 Dwelling Units at Poothkhurd Phase-II, North District

The CSMC sanctioned (December 2010) the housing project of 4,560 DUs at Poothkhurd Phase-II for a total project cost of ₹ 254.56 crore. The site was subsequently changed to Tikri Kalan due to existence of trees and a forest nursery at the original site. DSIIDC then awarded (March 2012) the work to Agency-E for an amount of ₹ 173.29 crore with the stipulation for completion by September 2013.



Picture 2: Project Poothkhurd Phase-II (constructed at Tikri Klan) lying incomplete and idle since December 2016

Audit however observed that due to poor physical progress and performance of the contractor, the DSIIDC rescinded (December 2016) the contract. Though an expenditure of ₹ 57.87 crore had been incurred on the project and more than 20 months have lapsed since rescinding the contract, DSIIDC had not yet retendered the project for completion. This is likely to result in avoidable expenditure on the restoration of damages to the incomplete structures due to natural/man-made wear and tear.

Government stated (December 2019) that an amount of ₹ 371.06 crore has been released to DSIIDC during 2018-19 for retendering and completion of the balance work. However, information as to whether the work has been retendered has not been provided by the Government.

(v) Incomplete housing project of 6,300 Dwelling Units at Poothkhurd Phase-III, North District

CSMC sanctioned (December 2010) the housing project of 7,720 Dwelling Units at Poothkhurd phase-III. DSIIDC awarded (September 2011) the work to Agency-F for ₹ 298.17 crore with stipulated completion period of 18 months. Audit observed that the number of Dwelling Units was reduced (September 2014) to 6,300 after the consultant submitted the drawings showing existence of trees and a forest nursery at the site. However, this



Picture 3: Project at Poothkhurd Phase-III lying incomplete and idle since January 2018

should have been in the knowledge of the consultant and DSIIDC during preparation of DPR for the project since DPR involves detailed site surveys. Moreover, DSIIDC has not levied penalty on the consultant for not surveying the site properly while finalising the DPR.

Subsequently, though the project was stipulated to be completed by April 2013, only 65 *per cent* physical progress had been achieved till January 2018 after which no progress has been made. DSIIDC stated that due to severe financial crisis, the contractor stopped the work. However, the work was not rescinded or retendered as of August 2018.

Thus, the expenditure of ₹ 178.34 crore incurred on the project till date has not served its intended purpose besides likely deterioration of the incomplete structures.

Government stated (December 2019) that the DPR was prepared in anticipation of getting permission for shifting of nursery and tree cutting but later, due to non-granting of permission by the Forest Department, the number of houses were reduced. This shows that DSIIDC accepted the fact of non-consideration of actual site conditions at the time of preparation of DPR, which resulted in delay and reduction of scope of the project.

(vi) Excess payment to consultants

DSIIDC had entered into agreements with consultants for preparation of DPR of the housing projects, at tendered amount of a fixed percentage of the project cost. This fee was to be paid on the basis of estimates or actual cost, whichever is lower. Audit, however, observed that in four projects, DSIIDC released payments to consultants on the basis of estimates or actual cost, whichever is higher instead of whichever is lower. This resulted in an excess payment of ₹ 1.47 crore (**Appendix 3.8.1**).

Government stated (December 2019) that the payment made to the consultants based on the estimates was because it was not known to them that the scope of work would be reduced. The reply is not acceptable as this resulted in excess payment of ₹ 1.47 crore to the consultants and also was in contravention of the agreement condition.

Audit recommends that payments to the consultants be linked to the payments (running bills) made to the contractors. If the scope of work is reduced and/or actual payment falls short of estimates, the payments to consultants should automatically be restricted to the fixed percentage of actual cost. If the payment to contractor exceeds the estimates, payment to consultant may be restricted to the fee payable on the basis of estimates.

3.8.3.2 Projects under Delhi Urban Shelter Improvement Board (DUSIB)

Summary of the status of the six projects entrusted to DUSIB is given in **Table 3.8.4.**

Table 3.8.4: Status of projects entrusted to DUSIB

Project (No. of Dwelling Units)	Approval by CSMC	Date of start	Stipulated date of completion	Date of Completion	Delay in months
Site-2 Dwarka (736)	March 2008	December 2009	March 2011	September 2013	30
Site-3 Dwarka (288)				December 2013	33
Savda Ghevra (7,620)	December 2010	March 2012	June 2013	July 2017	48
Phase-II Dwarka (980)	March 2011	March 2012	June 2013	July 2014	13
Site-A3 Sultanpuri (1,060)		March 2012	June 2013	March 2016	33
Bhalaswa (7,400)		August 2012	February 2014	Ongoing	53

Source: Departmental records

Deficiencies noticed in the three selected projects are as follows:

(i) Incomplete housing project of 7400 Dwelling Units at Bhalaswa, North District

Construction of 7400 Dwelling Units at Bhalaswa was approved by CSMC in March 2011 at a sanctioned cost of ₹ 366.84 crore which included cost of construction of DUs, UGRs, Community Centre, development charges payable to DJB, DISCOM etc. The works for construction of DUs were awarded at a total cost of ₹ 356.79 crore in July/August 2012 to be completed by February 2014. There was delay in execution of project on the part of the contractors for which DUSIB had withheld an amount of ₹ 20.50 crore as Bank Guarantee and ₹ 5.24 lakh in cash from the payments to be made. The work of construction of dwelling units was awarded at a cost of ₹ 356.79 crore against a sanctioned amount of ₹ 311.06 crore for this purpose. Similarly, the development charges payable to Delhi Jal Board and electricity distribution company for water and electric supply was also much more than estimated while sanctioning the project. As a result, after achieving 96 per cent physical progress by August 2017, the works stood still for want of additional funds as of May 2018 as the sanctioned funds were exhausted. Though revised cost estimates based on the awarded cost and development charges actually paid to the utility agencies was submitted by DUSIB to the Government in 2013, the same was under consideration of the Finance Department as of June 2018. Thus, failure of GNCTD in providing the required funds in time resulted in a project started in 2012 remaining incomplete as of May 2018 even after achieving 96 per cent physical progress by August 2017. This also resulted in avoidable exposure of the structures and deterioration due to natural wear and tear.

Government stated (December 2019) that Cabinet has approved allocation of funds for completing the project in March 2019. However the reply is silent about progress of the work.

(ii) Completed housing project of 7,620 Dwelling Units at Savda Ghewra, North West District

CSMC sanctioned (December 2010) the housing project of 7,620 Dwelling Units at Savda Ghewra. The project was awarded (March 2012) to Agency-A for ₹ 342.49 crore in two packages of 4,060 DUs and 3,560 DUs, with stipulated completion period of 15 months for both packages.

From the records produced to audit, it was observed that both the packages were completed in July 2017 with some defects¹⁶ on part of the contractor and the final completion was subject to rectification of all these defects. However, neither the rectification work has been carried out (August 2018) nor final bills have been submitted by the contractor. The Government stated (December 2019) that the work of rectification of defects has been taken up by the contractor.

Audit further observed that the DUSIB had withheld contractor's payment of ₹ 17.14 crore for not adhering to the schedule. Thereafter, DUSIB released (June 2016) an amount of ₹ 10 crore against bank guarantees submitted by contractor. However, it was observed that agreement did not provide for releasing of withheld amount against bank guarantees. This has resulted in loss of interest of a minimum of ₹ 90 lakh.

Also, against the two composite facility centres (CFC)¹⁷ approved by CSMC as part of these projects, DUSIB has awarded work for only one CFC in November 2017 and the work is under progress (July 2018). Similarly, against the approved three primary schools, DUSIB has completed only one primary school. Other facilities of Sewage Treatment Plant (STP), garbage collection points¹⁸ for solid waste management and booster pumps for water supply, though approved by CSMC, have also not been executed till date. The Government stated (December 2019) that site for one more school will be handed over to MCD for construction as per demand at later stage.

Thus, Audit observed that though DUSIB stated that this project is complete, it cannot be termed as complete since the facilities of one CFC, two primary schools, STP, dhalaos and booster pumps, as approved by CSMC, are yet to be executed.

¹⁶ Finishing with water proofing, painting on wood work/steel work, kitchen fitting, fittings in tanks, water meter boxes, glass panes to windows, testing of sewer/water lines and Under Ground Reservoir were not provided.

¹⁷ Community halls and informal markets

¹⁸ Three walled concrete structures meant for collection of garbage from a locality or market

(iii) Completed housing project of 1,060 Dwelling Units at Sultanpuri, North West District

CSMC sanctioned (March 2011) the project of 1,060 Dwelling Units at Sultanpuri and it was awarded (February 2012) to Agency-F with stipulated completion period of 15 months. The project was completed on 31 March 2016 after a delay of 33 months due to delay in laying of cables by electricity distribution companies, granting of permission for road-cutting, revision in layout plans etc. The Government stated (December 2019) that a compensation of ₹ 1.96 crore has been imposed on the agency for delay.

3.8.4 Identification of beneficiaries and allotment of completed Dwelling Units

As per the guidelines for allotment of flats to Urban Poor under JNNURM approved by GNCTD in September 2007, those who had been a resident of Delhi for 10 years and having a family income up to ₹ 60,000/- per annum were eligible for the benefit of the scheme subject to the condition that they do not own a house in Delhi. For this purpose, a database of potential beneficiaries was to be created by inviting applications from all the eligible urban poor/slum dwellers residing in Delhi since 1998. Further, the CSMC had also urged (October 2007) all the States/UTs to give priority to identify the beneficiaries for each project as part of project preparations. However, GNCTD did not take any action to identify beneficiaries as part of the project preparations. Later in February 2010, GNCTD decided that a priority list of JJ Clusters would be prepared by the Slum and JJ Department (now DUSIB) through surveys for rehabilitation and 44 JJ clusters were identified for survey in the first phase. Jhuggis which had come up up to 31 December 1998 were to be treated as eligible for relocation. After the survey, a joint-survey and bio-metric identification of the beneficiaries was to be carried out by the Slum and JJ Department and the land owning agency, on the basis of which a list of eligible slum dwellers was to be prepared for relocation to dwelling units constructed under JNNURM.

Out of the 14 projects of DSIIDC and DUSIB, 13 projects with 48,476 dwelling units were earmarked for rehabilitation of slum dwellers. However, the work of identification and determination of eligibility was very slow even after the start of the projects. **During the last 12 years since the inception of JNNURM, DUSIB and erstwhile Slum and JJ Department identified only 5,483 beneficiaries, though the number of dwelling units being constructed under 14 projects were 52,344.**

The cut-off date for determining the eligibility of beneficiaries was revised five times during this period which necessitated identification of beneficiaries afresh each time the cut-off date was changed.

The land owning agencies' share of relocation cost was also reviewed four times. As per the latest rehabilitation policy 2015, the land owning agencies have to bear the entire state share of cost of Dwelling Unit excluding the beneficiary share. Response in depositing the advance share by land owning agencies was very slow. Though 119 JJ Clusters have been prioritized on the basis of demand of the land owning agencies, land owning agencies have deposited their share in respect of only 25 JJ clusters out of which full payment of ₹ 24.23 crore have been deposited in respect of 16 JJ clusters and part payment of ₹ 50.58 crore has been made in respect of nine JJ clusters.

DUSIB has estimated 3,06,521 Jhuggis in 675 JJ Clusters and UDD has prioritised 119 JJ Clusters for relocation/rehabilitation. Out of these, only 38 JJ clusters having 11,020 Jhuggis have been surveyed (as of August 2018) by DUSIB for the purpose of determining eligibility for allotment of constructed dwelling units under JNNURM. Out of these, 6,891 slum dwellers appeared before the Eligibility Determination Committee and eligibility of 5,483 slum dwellers of 38 JJ clusters could be determined as of August 2018. Out of the 5,483 slum dwellers, only 1,864 were rehabilitated to the dwelling units constructed under JNNURM till August 2018 as per details given in **Table 3.8.5**.

Table 3.8.5: Details of allotment of flats against availability

Year	No. of flats completed in previous year	No. of flats available for allotment (as of January each year)	No. of flats allotted	Percentage of allotment
2010	1,184	1,184	90	7.60
2011	4,384	5,478	0	0.00
2012	2,684	8,162	176	2.16
2013	0	7,986	0	0.00
2014	6,592	14,578	0	0.00
2015	0	14,578	528	3.62
2016	2,040	16,090	185	1.15
2017	3,840	19,745	873	4.42
2018	7,620	26,492	12	0.05
Total	28,344	26,480 (vacant)	1,864	6.58

Source: Departmental records

The Department attributed delay in allotment of dwelling units to delay in depositing of land owners' share by the land owning agencies and also non-availability of jhuggis for relocation near to the housing projects for in-situ rehabilitation as prescribed in the current Rehabilitation Policy.

Out of 1,864 Dwelling Units allotted, 266 were in Bawana (completed in December 2008), 841 were in Baprola (completed in February 2013) and 757 were in Dwarka (completed in July 2015). To ascertain the quality of construction and satisfaction of relocated slum dwellers, Audit conducted a survey of 44 (five per cent) out of 841 slum dwellers relocated at Baprola from various parts of Delhi. It was observed that all the 44 surveyed slum

dwellers at Baprola were relocated from faraway places ranging from 9.5 to 27.2 Kilometres. Further, eight residents lost their jobs and 31 faced difficulties in maintaining their employment. Beneficiaries faced difficulties due to relocation to faraway places in violation of BSUP guidelines and rehabilitation policy of GNCTD.

Thus, lack of a long term rehabilitation plan commensurate with the projects planned slowed the relocation process resulting in more than 90 per cent of the 28,344 Dwelling Units, completed at a cost of ₹ 1,101.36 crore, lying unused as of June 2018. Further, after allotment of 1,864 Dwelling Units, only 13 JJ clusters could be rehabilitated completely and the land was handed over to the land owning agencies. Thus, after spending an amount of 1856.62 crore (on completed as well as incomplete projects) under the scheme, only 13 out of 675 JJ Clusters could be rehabilitated.

Out of 26,480 Dwelling Units lying vacant, 13,737 were constructed and completed before 2014. Therefore, deterioration of these structures and theft of fixtures from these Dwelling Units due to their lying vacant for long periods of time cannot be ruled out. Non-allotment of Dwelling Units also defeated the very objective of the scheme, which was to provide affordable housing to the urban poor.



Picture 4: Completed dwelling units of Savda Ghewra project and Baprola Project lying vacant since July 2017 and February 2013 respectively

The Government replied (December 2019) that DUSIB relocates only those JJ Clusters for which request is received from land owning agencies and on this basis, priority list was finalised. The reply is not acceptable in view of the fact that more than 90 per cent of the completed dwelling units constructed at a cost of ₹ 1,101.36 crore were lying unused and deteriorating due to natural wear and tear and thefts. In order to effectively utilise the dwelling units constructed, it is recommended that Government should take initiative and proactively carry out surveys for identification of eligible beneficiaries and relocate them instead of waiting for land owning agencies to approach them.

3.8.5 Conclusion

The implementation of projects for affordable housing for urban poor suffered from lack of planning from the conceptualization stage itself. Out of the 23 projects approved by CSMC, seven were later dropped due to non-availability of encumbrance free land indicating that proper feasibility studies were not carried out before proposing these projects. Further, instead of planning housing for urban poor as a whole, the Delhi Government targeted mostly relocation of slum dwellers under the scheme by apportioning 15 of the 16 projects for relocation of slum dwellers. Due to creation of large clusters of housing, the objective of integrating them with the overall planned development of the area was not achieved.

Implementation of the projects under the scheme was slow. Out of the total 14 housing projects with 52,344 Dwelling Units to be executed by DSIIIDC and DUSIB, four projects with 24,000 Dwelling Units remained incomplete after spending ₹ 755.26 crore. Further, due to delay in identifying beneficiaries and delay in providing complete infrastructure along with the dwelling units, more than 90 *per cent* of 28,344 dwelling units completed till June 2018 at a cost of ₹ 1,101.36 crore were lying unused out of which 13,737 were constructed before 2014. Thus, even after spending ₹ 1,856.62 crore, the objectives of the scheme remained unfulfilled due to the inability of the Government in identifying the beneficiaries, even though more than 10 years have elapsed since launching of the scheme.

3.8.6 Recommendations

- *Government needs to complete the identification of the intended beneficiaries for these DUs on priority basis and allot the completed DUs to them at the earliest;*
- *Government needs to ensure that the ancillary facilities of primary school, community centre, park, informal sector market etc. are completed as envisaged;*
- *The Government should also ensure that all projects which are lying incomplete for various reasons are expedited and completed to avoid/minimise deterioration of structures due to natural and manmade wear and tear.*

Department of Urban Development

3.9 Irregularities and deficiencies in procurement of equipment, items and materials for Solid Waste Management under Swachh Bharat Mission.

Deficiencies in procurement of equipment under the Scheme included delay in release of funds to Implementing agencies, utilisation of capital grants on hiring of trucks, tippers etc., ordering without ensuring availability of space to store the materials, blocking of funds due to release of full payment as advance without withholding the required 10 per cent, non-levy of compensation charges amounting to ₹ 0.86 crore in case of delayed or short supply of materials, and delay in fabrication of truck chassis after their delivery.

The Government of India (GoI) launched the Swachh Bharat Mission (Mission) on 2 October 2014 to improve sanitation and cleanliness in the country with a vision to create a clean India by 2 October 2019. The Mission had a total of six¹⁹ components including Solid Waste Management, with main objectives being elimination of open defecation, eradication of manual scavenging, solid waste management etc.. The expenditure on the Mission was to be shared between the Centre and State at the ratio of 75:25.

For the component of Solid Waste Management, GoI had allocated ₹ 263.68²⁰ crore for the National Capital Territory of Delhi (NCTD). However, only ₹ 63.47²¹ crore was released to the Government of NCTD (GNCTD) during 2014-15 and 2015-16. The GNCTD added its share of ₹ 21.17 crore and released (January 2016) ₹ 84.64 crore to the five implementing agencies, i.e., New Delhi Municipal Council (NDMC), North Delhi Municipal Corporation (North DMC), South Delhi Municipal Corporation (South DMC), East Delhi Municipal Corporation (East DMC) and Delhi Cantonment Board (DCB).

Afterwards, neither did the GoI release any further funds, nor did the GNCTD request for further releases (as of May 2018). The central and state contribution of ₹ 84.64 crore was to be utilised for creation of capital assets only as per the sanction.

Details of funds released and their utilisation by the Implementing Agencies are as given in **Table 3.9.1**.

¹⁹ (i) Solid Waste Management (ii) Household Toilets (iii) Community Toilets (iv) Public Toilets (v) Information, education & Communication and (vi) Capacity Building, Administrative and Office Expenses.

²⁰ 20 % VGF contribution of centre for 80 % of 1,37,33,000 (as per guidelines 80% of urban Population covered under SWM-Projected Urban Population in 2019) @ ₹ 1,200 per capita

²¹ ₹ 4.38 crore on 31.03.2015, ₹ 0.36 crore on 15.10.2015 and ₹ 58.73 crore on 20.11.2015.

Table 3.9.1: Details of funds released and their utilisation

(₹ in crore)

Implementing Agency	Release to Implementing agency			Expenditure
	Centre share	State share	Total	
NDMC	0.71	0.24	0.95	0.96
North DMC	24.18	8.06	32.24	19.61
South DMC	19.87	6.63	26.50	25.19
East DMC	17.66	5.89	23.55	21.13
DCB	1.05	0.35	1.40	2.67 ²²
Total	63.47	21.17	84.64	69.56

Source: Utilisation certificates furnished by the implementing agencies.

Audit examined records pertaining to utilisation of these funds for the component of Solid Waste Management (SWM) and observed the following irregularities/deficiencies:

(i) Delay in onward release of funds by State to the implementing agencies:

As per the Mission guidelines, “GNCTD shall evolve a suitable mechanism to release funds along with the State share to the ULBs within 30 days of release of the central share by the GoI. Interest at the rate specified by the Ministry of Finance from time-to-time shall be levied on the State for any delay in release of funds beyond 30 days. This will be implemented by appropriate deductions from the State’s next installment of fund release under the mission”.

However, Audit observed that GNCTD released the central share along with its own share to the implementing agencies in January 2016. This resulted in the first installment of ₹ 4.38 crore, received on 31 March 2015, lying unutilised with GNCTD for more than 10 months. The matching state share of ₹ 1.46 crore, was also not made available to the implementing agencies for ten months.

Government replied (March 2019) that funds were released to implementing agencies after the approval of Legislative Assembly for opening of a new Head of Accounts (HoA). The reply is not acceptable as the proposal for opening of new HoA was initiated in September 2015 only, i.e., six months after the receipt of first installment of ₹ 4.38 crore from GoI.

(ii) Expenditure incurred on other schemes debited to funds of Solid Waste Management component:

North MCD and East MCD were implementing two state schemes of “Mechanization of Conservancy and Sanitation Services” and “Provision of additional facilities in Jhuggi Jhopri Resettlement colonies” respectively. Under these schemes, an expenditure of ₹ 0.48 crore and ₹ 0.06 crore was

²² DCB irregularly diverted funds amounting to ₹ 1.27 crore from another component of SBM and incurred on SWM component.

made by North MCD and East MCD respectively for procurement of wheelbarrows and household bins. However, these expenditures were then debited to funds under Solid Waste Management component of the Mission. Thus, instead of creating additional assets under the Mission, the implementing agencies merely debited the expenditure already incurred under other schemes, to SWM Component funds.

The Government stated (March 2019) that ₹ 0.06 crore was spent on procurement of bins for distribution to street vendors to avoid littering and fulfill the objective of the Mission. However, the fact remains that expenditure already incurred under other schemes was debited to the Mission.

(iii) Irregular expenditure incurred on activities other than creation of capital assets:

As per the sanction conditions, funds released were to be utilised by implementing agencies for creation of capital assets only. GNCTD had released (January 2016) an amount of ₹ 23.55 crore to East DMC for SWM, out of which it incurred an expenditure of ₹ 21.13 crore.

It was observed that, East DMC had spent ₹ 13.82 crore on day-to-day activities of hiring of tippers, trucks, bulldozers etc. instead of utilising these funds for creation of capital assets, in violation of the conditions of sanction.

Government replied (March 2019) that during various meetings of the Swachh Bharat Mission, it was clarified that capital component of expenditure on hiring of machineries can be charged under solid waste management and ₹ 13.82 crore was the capital component of expenditure. The reply is not acceptable since no assets were created on hiring of machineries.

(iv) Irregular release of full payment before receipt of vehicles

The terms and condition of Directorate General of Supplies and Disposals (DGS&D) rate contract stipulates that 90 *per cent* payment was to be made against provisional receipt and balance 10 *per cent* on acceptance of vehicle at store. In two separate contracts of procurement of 20 truck chassis and 20 tipper trucks, North MCD released the entire amount of ₹ 2.24 crore and ₹ 4.03 crore in advance (March/July 2017), in contravention of the condition. Hence an amount of ₹ 0.63 crore (10 *per cent* of ₹ 2.24 crore and ₹ 4.03 crore) paid in advance remained blocked during the intervening period. Further, due to implementation of GST w.e.f. 01 July 2017, the price of tipper trucks decreased by ₹ 0.05 crore but the extra payment was not refunded. Since the Department had made full payment in advance in contravention of the DGS&D conditions, it was not in a position to recover the price difference which came about due to implementation of GST.

There was also delay in delivery of these vehicles as indicated in **Table 3.9.2**.

Table 3.9.2: Details of delay in delivery of vehicles

Sl. No.	Vehicles	Date of Advance Payment	Stipulated Date of Delivery	Actual Date of Delivery	Delay in days
1	20 Truck Chassis	10.07.2017	02.09.2017	21/22.02.2018	173/172
2	20 Tipper trucks	28.03.2017	12.07.2017	28.02.2018	231

Source: Departmental records

Also, since there were no penal provisions for delayed delivery, no compensation/penalty could be levied for the delays ranging from 173 to 231 days in the supply of vehicles. Further, the intended purpose of lifting garbage/malba by these vehicles from the area which falls under the jurisdiction of North MCD remained unachieved.

(v) Award of work to supply 1,000 Tricycle Rickshaws without ensuring availability of adequate space to store them

As per the Section 15.1.2 of CPWD Manual 2014, availability of clear site is desirable before approval of tender documents. Further, reasonable planning also requires that, when goods are ordered for and delivered as per contractual obligations, there is adequate storage space to store the goods so received.

On the basis of requisitions received from its various zones, North MCD awarded (December 2017) a contract for ‘Supply of 1,000 Tricycle Rickshaws’ at contractual amount of ₹ 2.24 crore to a contractor. These Tricycle Rickshaws were to be used for lifting garbage scattered on the roads and streets etc. As per the supply order, the contractor was required to complete the supply by 07 March 2018. However, only 300 Tricycle Rickshaws were supplied by the contractor as of May 2018 against which an amount of ₹ 0.67 crore was paid (March 2018) to the contractor. Audit noted that due to shortage of space in the store, the remaining quantities could not be supplied. This indicates that availability of space was not ensured by North MCD before award of work.

Further, it was also observed that out of the total 300 Tricycle Rickshaws received on 3 April 2018, only 53 were issued for use till 26 April 2018. This delay in providing the required number of rickshaws compromised the efficiency of Safai Karmacharis in picking up garbage scattered on the streets and segregating dry and wet waste at source.

The Government replied (March 2019) that the supply of rickshaws was completed in the month of September 2018.

(vi) Non-levy of compensation charges on suppliers despite short supply of materials

Audit observed that in two supply orders of North DMC and five supply orders of South DMC, suppliers failed to deliver the quantities ordered as of May 2018. In two out of these seven supply orders, there was no penal clause for delayed supply. In the remaining five orders, the contract stipulated compensation at the rate of one *per cent* per week subject to a maximum of 10 *per cent* of the tendered value, in case of delay in delivery of materials. Details of delay in delivery of materials are given in **Table 3.9.3:**

Table 3.9.3: Details of delay in delivery of material

Item supplied	Order amount (in ₹ crore)	Stipulated date of supply	Ordered Quantity	Supplied till 31.05.18	Delays (In days, as of 31 st May 18)	Compensation on leviable (₹ in crore)
North MCD						
12 litres bins	4.82	26.03.2018	3,80,000	1,66,750	66	0.24
Road side twin bins	4.63	12.02.2018	6,000	500	108	No Provision
South MCD						
Tricycle rickshaw	1.50	13.03.2018	500	378	79	0.15
100 litres twin bins	1.50	18.09.2017	2,500	600	255	0.15
100 litres twin bins	2.06	13.04.2017	3,500	2,550	413	0.28
240 litres mobile dustbins	0.44	18.08.2017	1,250	1,202	286	0.04
150 litres garbage bins	1.90	20.03.2017	3,800	2,536	437	No provision
Total						0.86

Source: Departmental records

However, though compensation amounting to ₹ 0.86 crore was leviable in these five orders, the Implementing agencies have not levied compensation charges on suppliers for delayed/short supply. Also, in these five orders with delayed/short supply of materials, the Implementing agencies have not invoked the performance guarantee available with them. In the remaining two orders, there was no provision for compensation charges in case of delay or short-supply of order, and hence there was no recourse for compensation for delayed supplies.

(vii) Inordinate delays in initiating fabrication work of vehicles after receiving their chassis

South DMC had awarded (June 2017) the work of supply of 62 numbers of Chassis of CNG operated Light Commercial Vehicles for lifting of various types of waste/malba/silt and green waste etc., at a total cost of ₹ 6.08 crore.

Though these 62 chassis were delivered by September 2017, fabrication work of only 31 chassis had been awarded (May 2018) till the date of audit (July 2018) and the remaining 31 chassis worth ₹ 3.04 crore were lying idle in the store for more than 10 months.

Conclusion

Audit observed that besides the delay in release of Mission funds to Implementing agencies, the funds were utilised on activities not permitted under the scheme, such as hiring of trucks, tippers etc. Also, expenditure already incurred under other schemes was subsequently booked under the Mission funds.

Several deficiencies such as ordering for supply without ensuring availability of space to store the materials, blocking of funds due to release of full payment as advance without withholding the required 10 *per cent*, non-levy of compensation charges amounting to ₹ 0.86 crore in case of delayed or short supply of materials, and delay in fabrication of truck chassis after their delivery resulting in idling of 62 chassis worth ₹ 6.08 crore for more than 10 months, were noticed in the procurement of equipment, items and materials out of the scheme funds.

Department of Woman and Child Development

3.10 Deprivation of affordable and safe accommodation to working women and blockade of funds amounting to ₹ 97.53 lakh

Non-construction of Working Women Hostel by the Department of Women and Child Development even after 16 years of taking possession of the land (December 2002) resulted in blockade of funds of ₹ 97.53 lakh besides depriving many working women of safe, dignified and affordable hostel accommodation.

One of the functions of the Department of Women and Child Development (DWCD) is to provide dignified, proper and affordable shelter to employed women who do not have any living accommodation, through Working Women Hostels (WWHs). As per details in the scheme for WWH initiated in 2009, a large number of women were waiting for residential accommodation as there were only two WWHs being run by the department, one at Rohini with a capacity of 110 women and another at Bishwas Nagar with a capacity of 100 women. Therefore, new WWHs were required to be constructed on priority basis.

On the request of Social Welfare Department²³ (SWD) (June 2001), Delhi Development Authority (DDA) allotted 3,193 sqm of land costing ₹ 38.19 lakh (August 2001) for construction of WWH at Basant Village, near Vasant Vihar, New Delhi with a capacity of 81 residents. The SWD took

²³ DWCD was part of SWD at that time

possession of the plot in December 2002. The land which was not demarcated at that time was later demarcated by the DDA in December 2004. Construction work of WWH was entrusted to Delhi State Industrial Infrastructure Development Corporation (DSIIDC) in January 2005 and the process of preparation of and submission of preliminary estimates (₹ 5.76 crore) and modified estimates (₹ 5.80 crore including boundary wall) were done up to June 2006. In December 2006, it was decided to construct a boundary wall and a PE of ₹ 29.34 lakh was sanctioned by SWD in March 2007. In September 2007, DSIIDC submitted an Executive Finance Committee Memo for WWH costing ₹ 6.37 crore and the file was sent to Planning Department (PD) in December 2007 for their consideration.

On the advice of PD (January 2008), DWCD initiated (November 2008) the process for construction of WWH under Public Private Partnership (PPP) mode. No progress was made thereafter till May 2011, when DSIIDC was asked to submit fresh preliminary estimates (PE) for WWH. DSIIDC submitted fresh PE of ₹ 16.74 crore in June 2011. Again, no progress was made in this regard for three years and in September 2014, Chief Secretary, Delhi decided to entrust the construction work of WWH to Delhi Tourism and Transportation Development Corporation (DTTDC) without any justification on record and a seed money of ₹ 30.00 lakh was released (November 14) to DTTDC.

Final architectural scheme for WWH was prepared by DTTDC in October 2015 with PE of ₹ 23.92 crore (including one *per cent* contingencies and five *per cent* departmental charges).

Stating that five *per cent* departmental charges would have a major impact on the whole project, the Minister, DWCD had directed (January 2016) changing the executing agency from DTTDC to PWD.

Thereafter, the DWCD took one year for the decision to get the work executed by PWD. The decision was taken in a meeting held in January 2017 under the chairmanship of Director DWCD. As of June 2018, even the layout plan of the building has not been finalised.

Thus, due to indecision of the Department with regard to finalising the executing agency and the inaction of the Department for varying durations, the Working Women Hostel was not constructed even after 16 years of taking over possession of the land. This delay resulted in blockade of funds of ₹ 97.53 lakh²⁴ and also in increase of the estimates for construction from ₹ 5.80 crore to ₹ 23.92 crore, besides depriving working women of affordable and safe accommodation.

²⁴ ₹ 38.19 lakh+ ₹ 29.34 lakh + ₹ 30.00 lakh

Government stated (September 2018), that there are sufficient number of WWHs being run by Government of NCT of Delhi, Government of India and NGOs in NCT of Delhi, where occupancy has not been up to their optimum capacity most of the time. The reply is not acceptable as the Plan Document of GNCTD for the year 2017-18 has stated that existing WWHs in Delhi are full and they are not in a position to accommodate the large number of women waiting for admission in WWHs. The Plan Document also highlighted the increasing need for constructing more WWHs.



New Delhi

(LAISRAM ANGAM CHAND SINGH)

Dated: 20 February 2020

Principal Accountant General (Audit), Delhi

Countersigned



New Delhi

(RAJIV MEHRISHI)

Dated: 26 February 2020

Comptroller and Auditor General of India

Appendices

Appendix 1.1

Details of NGOs which received grants-in-aid of ₹ 25 lakh or more during the year 2017-18

(Referred to in paragraph 1.1)

(₹ in lakh)			
Sl.No.	Name of the Department	Name of the NGO	Grant Received
1.	Department Of Women And Child Development	Kasturba Gandhi National Memorial Trust Home for Destitute Girls	184.00
2.	-do-	Bhartiya Adim Jati Sewak Sangh (Girls) Home For Destitute Girls	179.00
3.	-do-	SOS Children's Village Home For Destitute Children	179.00
4.	-do-	Prayas Observation Home for Boys-I, Near Firozshah Kotla, Delhi gate, New Delhi	179.00
5.	-do-	Delhi Mahila Kalyan Samiti	179.00
6.	-do-	Don Bosco Ashalayam	39.91
7.	-do-	Salam Balak Trust	25.23
8.	-do-	Prayas Shelter Home For Girls	28.30
9.	-do-	Prayas Shelter Home For Boys	45.39
10.	-do-	Bal Sahyog	40.13
11.	-do-	Salam Balak Trust DMRC Children Home	47.30
12.	-do-	Rose Udaan Children home For Girls	32.54
13.		Young Women Christian Association of Delhi (Matritva Chhaya)	82.11
14.	Department of Education, GNCTD	Umed Aman Ghar Vocational Training Center	45.30
15.	-do-	Khushi Girls Rainbow Homes	45.30

Appendix 1.2

Statement showing the details of rendering of accounts to the Comptroller and Auditor General of India and submission of Separate Audit Reports to Delhi Legislative Assembly by autonomous bodies

(Referred to in paragraph 1.1)

Sl. No.	Name of the autonomous body	Period of entrustment of audit of accounts to CAG	Year up to which accounts were rendered	Year up to which Separate Audit Report issued	Year up to which Audit Report submitted to Delhi Legislature	Year for which accounts due	Period of delay in submission of accounts (up to 31st March 2018)
1.	Guru Gobind Singh Indraprastha University	Deemed entrustment (CAG office's clarification letter no 14-Audit-II/128-98 dated 15.01.2004)	2017-18	2016-17	2010-11	-	-
2.	Netaji Subhash Institute of Technology	2017-18 to 2021-22	2015-16	2014-15	2008-09	2016-18	2 Years
3.	Delhi Jal Board	Deemed entrustment (CAG Office's clarification letter no confidential note 497 dated 16.12.2003)	2012-13	2012-13	2005-06	2013-18	5 Years
4.	Delhi Building and Other Construction Workers' Welfare Board	The Board is constituted and notified under an Act by the Parliament	2016-17	2015-16	NIL	2017-18	1 Year
5.	Indraprastha Institute of Information Technology Delhi	2018-19 to 2022-23	2017-18	2016-17	2016-17	-	-
6.	Ambedkar University Delhi	Deemed entrustment (The period was not specified)	2017-18	2016-17	Not laid yet	-	-
7.	Delhi Kalyan Samiti	2014-15 to 2022-23	2016-17	2013-14	As per Memorandum of Association of the Samiti, SAR need not be laid before Legislature	2017-18	1 Year

Sl. No.	Name of the autonomous body	Period of entrustment of audit of accounts to CAG	Year up to which accounts were rendered	Year up to which Separate Audit Report issued	Year up to which Audit Report submitted to Delhi Legislature	Year for which accounts due	Period of delay in submission of accounts (up to 31st March 2018)
8.	Delhi Urban Shelter Improvement Board	Deemed entrustment (as the period was not specified)	Accounts not rendered since inception w.e.f.2010-11		NIL	Since Inception w.e.f 2010	8 Years
9.	Delhi Electricity Regulatory Commission	Audit under Section 19(3) of Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971	2017-18	2017-18	2016-17 (15 January 2018)	--	--
10.	Delhi Legal Services Authority	Audit is conducted under Section 18(2) of Legal Services Authority Act, 1987	2016-17	2016-17	Information not provided	2017-18	1 year

Appendix 2.1

Diversion of funds (Referred to in Paragraph 2.1.6)

Sl. No.	Name of Division	Nature of expenditure	Amount (₹ in crore)
1.	West-III	Contingent and miscellaneous expenses by providing Imprest cash to the divisional staff	0.39
		Up-gradation and renovation of filling point at Karala in Mundka	0.22
		Providing Ready Mix Concrete in flooring at filling point and repairing of boundary wall of Karala store	0.14
2.	NW-II	Contingent and miscellaneous expenses by providing Imprest cash to the divisional staff	1.61
		Purchase of furniture for Water emergencies	0.05
3.	South-IV	Contingent and miscellaneous expenses by providing Imprest cash to the divisional staff	0.27
		Engagement of Beldar/Valveman for operation and maintenance of water supply distribution system	0.37
		Construction of flow meters chambers at Over Head Tank, Okhla Industrial Area, Phase-II	0.01
		Levelling/re-alignment of filling point and providing fixing paver block in the remaining area of Okhla Industrial Area Phase-II filling point	0.38
		Demolishing of various abandoned tube wells room at Tughlakabad Constituency	0.05
		Construction of porta cabin and installation of water storage tank for setting up Pilot project by Healthy You Foundation	0.07
		Repair and renovation of filling point area at water emergency Okhla Industrial Area Phase-II	0.33
4.	E&M S-II	Providing of street lights in Ward No. 195, Kalkaji	0.01
		Chlorination of tube wells	0.23
5.	South-III	Dismantling of abandoned tube well rooms at Devli Constituency	0.02
		Repair and construction of different Booster Pumping Stations and Tube wells in Devli Constituency	0.11
		Engagement of labour to maintain water supply distribution and maintenance	0.14
6.	SW-II	Raising of boundary wall and renovation of Store at Tube well No.3 at Palam Village	0.06
		Construction of wall for water emergency and filling point at Ujwa UGR premises	0.22
		Engagement of additional Beldar on contract basis for sewer maintenance	0.22
		Tracing/raising/repairing and clearing of manholes at Kashmiri Colony and Khaira village	0.03
		Hiring of sewer suction cum jetting machine for maintenance of sewerage system	0.40
Total			5.33

Appendix 2.2

**List of Unauthorised Colonies where sewer lines were laid before laying of water lines
(Referred to in Paragraph 2.1.8.3)**

Sl. No.	Registration No.	Name of unauthorised colony
1.	1570	Shanti Park, Uttam Nagar, Main Najafgarh Road, Delhi-59
2.	555	Sewak Park Extension, Near Rama Park Bus Stop, Uttam Nagar, Delhi-59
3.	1214	Mahbub Nagar Zakir Nagar, New Delhi-25
4.	1601	Zakir Nagar, Gali No. 6 to 21-A, New Delhi-25
5.	153	Mamurpur Krishna Nagar, Singhu Border, Narela, Delhi-40
6.	575	Ambedkar Nagar Extension, Haiderpur, Delhi-87
7.	135-(ELD)	Village Tikri Khurd, Delhi-40
8.	42-(ELD)	Village Sahi Pur , Shalimar Bagh, New Delhi-88
9.	71-(ELD)	Village Siraspur Part I, Delhi 42
10.	98-(ELD)	Wazirpur Village, Ashok Vihar Phase I, Delhi 52
11.	1605	Ashok Nagar (C-Block), Delhi-18
12.	978	Neb Sarai Extension Area, Delhi-68
13.	1247	Vishwakarma Colony, B- Block, M.B.Road Pul, Pahladpur, Delhi-44
14.	1498	J-Block Prem Nagar, Lal Kuan, M.B.Road,Delhi-44
15.	636	New Ashok Nagar, Chilla Block-A, Delhi-96
16.	884	Rajiv Nagar, Mandoli, New Delhi-93
17.	911	Kamal Vihar Extension Karawal nagar, Delhi-94
18.	984	Harijan basti, Block C, Gharoli Extension Delhi-96
19.	1245	Dr.Ambedkar Colony, Radha Vihar, Near Saboli, Delhi-93
20.	1512	Chanderपुरi, Chand Bagh, Main Wazirabad Road, Delhi-94
21.	660	Sainik Enclave, Vikas Nagar, Uttam Nagar, Hastal, New Delhi-59
22.	215	Kamla Enclave, New Roshan Pura Extension, Najafgarh, Delhi-43
23.	705	New Roshanpura Extension 'Y' Block, Paprawat Road, Najafgarh, Delhi-43
24.	849	New Roshanpura Extension Part-II(Prem Nagar 'G' Block), Najafgarh,Delhi-43
25.	1039	Ganpati Enclave, X- Block, New Roshanpura Extension, Najafgarh,Delhi-43
26.	1477	Prem Nagar, Z-Block, Paprawat Road, Najafgarh, Delhi-43
27.	1595	Vijay Park Extension, (LOP), Gali NO15, Najafgarh, Delhi-43
28.	873	Sangam Vihar Block C, Part-II, Delhi-62
29.	1220	Panchsheel Vihar, Khirki Village, Near Malviya Nagar, Delhi-17
30.	1347	Mohalla Jahapanah Hauz Rani, Malviya Nagar, Delhi-17
31.	389	Mohan Garden G-Block Extension,R.K. Block Extension, Bhagwati Garden Extension, Delhi-59
32.	411	Sidhatri Enclave, Bhagwati Garden, Delhi-59
33.	909	Sethi Enclave Part-I, Near Chandni Farm, Mohan Garden, Delhi-59
34.	415	Agrasen Park, Najafgarh, Delhi-43
35.	592	Vivek Nagar, E-Block, Roshan Vihar , Phase-2, Najafgarh, Delhi-43
36.	954	Defence Enclave and Defence Enclave Part-I, Mohan Garden, Delhi-59
37.	1010	Vikas Vihar, Uttam Nagar, Delhi-59
38.	1184	Om Vihar Phase-V, Block A, A1, D, D1, D-2, E G H and Nawada Extension, Roop Vihar, Delhi-59
39.	1252	Uday Vihar Part-1,2,3,4, Nilothi Extension,Delhi-41
40.	1548	Sai Dham, Nangli Sakrawati, Najafgarh, Delhi – 43
41.	1555	Shalimar Village, Delhi-88
42.	1560	Ravi Nagar Extension, Delhi-18
43.	1581	Vishnu Garden, NW-Block, Delhi-18
44.	1585	Uttam Nagar, GI Block, Delhi-59
45.	1591	Vishnu Garden, (R2/C Block) Extension No. 2, Delhi-18
46.	101-(ELD)	Village Malikpur, Chhawni, Delhi -09
47.	131-(ELD)	Village Pitam Pura,Delhi-34
48.	15-(ELD)	Unauthorized Areas of Urbanaised/ Village,Village Basai, Dara Pur Extension, Delhi-15
49.	2-(LOP)	14, Rajpur Road, Opp. MCD Flats, Civil Lines, Delhi-54
50.	8-(ELD)	Extended Abadi of Village Basai Dara Pur, New Delhi-15

Appendix 2.3

Works executed without Technical Sanction of competent authority (Referred to in Paragraph 2.1.9.1)

(₹ in lakh)

Sl. No.	Contract Agreement No./Year	Amount put to tender	Total amount of award	Amount of TS approved by Superintending Engineer(SE)
South-III Division				
1.	135/14-15	29.63	30.37	31.11
2.	138/14-15	46.84	41.64	49.18
3.	60/15-16	42.66	43.89	44.79
4.	62/15-16	47.12	38.54	49.47
5.	69/15-16	47.53	39.97	49.90
North-I Division				
6.	50/15-16	34.02	25.52	34.37
South-West-II Division				
7.	9/15-16	28.31	22.02	41.28
8.	32/15-16	36.86	36.58	85.19
9.	33/15-16	31.66	31.43	61.25
10.	47/15-16	39.54	37.35	98.04
DR-IX Division				
11.	2/14-15	426.82	507.82	536.44
12.	1/16-17	34.73	26.65	42.15
13.	7/16-17	148.39	118.24	266.54
North-East-II Division				
14.	39/16-17	79.32	66.68	82.20
SR-II Division				
15.	2/14-15	1,154.78	1504.68	1,213.00
16.	1/15-16	55.29	49.47	60.41

Appendix 2.4

Award of work beyond tender limit of contractors

(Referred to in Paragraph 2.1.9.2 (ii) (b))

Sl.No.	Division	Number of works	Year in which the works were allotted	Tender limit (₹)	Range of cost of the works awarded (₹)
1.	North-I	2	2015-16	90 lakh	110-120 lakh
2.	South-III	6	2016-17	5 lakh	9.63-19.45 lakh
3.	DR-IX	1	2013-14	90 lakh	209 lakh
4.	SR-II	4	2013-15	300 to 1,500 lakh	881-2,800 lakh
Total		13			

Appendix 2.5

Delay in completion of works

(Referred to in Paragraph 2.1.10.1)

Sl. No.	Division	Delay in Completed works		Delay in ongoing works		Reasons mentioned in the Hindrance Register
		6-24 months	Above 24 months	6-24 months	Above 24 months	
1.	South-III	0	0	0	2	Reasons for delay not ascertained as hindrance register was not provided
2.	NE-II	0		5	0	Reasons for delay not ascertained as hindrance register was not provided
3.	West-III	3	0	0	3	Public protest, delay in road cutting permission from road owning agencies and delay in inauguration
4.	SR-II	0	0	0	3	Reasons for delay not ascertained as hindrance register was not provided
5.	SW-II	0		6	0	Reasons for delay not ascertained as hindrance register was not provided
6.	South-IV	4	0	4	0	Public protest, rainy season and MCD elections
7.	NW-II	8	0	11	0	Delay in road cutting permission from road owning agencies and rainy season
8.	DR-XI	0		1	0	Delay in road cutting permissions from road owning agencies and traffic police, rainy season
9.	DR-III	1	2	0	1	Delay in road cutting permissions from road owning agencies and traffic police, rainy season, land ownership dispute, NGT's ban on construction and delay in decision on extra items/ specifications of pipes.
10	North-I	5	0	0	0	Reasons for delay not ascertained as hindrance register was not provided
Total		21	2	27	9	

Appendix 2.6

Divison-wise number of works in which revised AA & ES/Technical Sanction was not obtained

(Referred to in Paragraph 2.1.10.2)

(₹ in crore)

Sl.No	Division	No. of works	Original amount of AA/ES	Total amount of works awarded	Excess over ES
1.	North-I	9	1.21	1.55	0.34 (28%)
2.	South-III	3	0.11	0.18	0.07 (64%)
3.	DR-IX	2	3.25	3.34	0.09 (03%)
4.	NE-II	1	0.09	0.10	0.01 (11%)
5.	SR-II	2	40.81	50.70	9.89 (24%)
6.	SW-II	2	0.21	0.26	0.05 (24%)
Total		19	45.68	56.13	10.32 (23%)

Appendix 2.7
Unjustified grant of Extension of Time without or with less penalty
(Referred to in Paragraph 2.1.10.3)

(₹ in crore)

Sl. No.	Name of Work and Division	Status of the work	Remarks	Non-levy/short levy of Penalty
1.	Providing and laying 280 mm to 1100 mm dia internal and peripheral sewer line in Samaypur group of colonies falling under Coronation Pillar WWTP catchment area (DR-III)	Scheduled Date of Completion (SDOC): 20.02.2016 and Actual Date of Completion (ADOC): 31.03.2018. Payment of ₹ 84.91 crore made against tendered cost of ₹ 84.99 crore. Against penalty of ₹ 8.50 crore @ 10% of the Tendered Cost to be levied towards delay in completion of works, penalty of ₹ 1.26 crore withheld.	Provisional EOT of 315 days up to 31.12.2016 was granted. The work was actually completed on 31.03.18. Thus, no hindrance was recorded for further delay of 455 days	7.24 (8.50 - 1.26)
2.	Providing and laying 280 mm dia to 630 mm nominal dia internal and peripheral sewer line in Kureni group of colonies (DR-III)	SDOC: 15.08.2015 and ADOC: Work In Progress (WIP). Payment of ₹ 16.85 crore made against tendered cost of ₹ 34.26 crore. Against penalty of ₹ 3.43 crore @ 10% of the Tendered Cost to be levied towards delay in completion of works, penalty of ₹ 0.66 crore withheld.	Provisional EOT has been given with escalation up to 31.10.2018. However, hindrances are recorded only for 519 days, thus extension upto 15.01.2017 only was justified. The work was still in progress, with a further delay of 621 days (up to 30.09.18) for which no hindrance was recorded.	2.77 (3.43 - 0.66)
3.	Providing sewerage facility in Raja Vihar unauthorised colony in C-Rohini-C/o SPS and rising main (DR-III)	SDOC: 24.04.13 and ADOC: 29.11.17. Payment of ₹ 1.31crore made against tendered cost of ₹ 1.32 crore. Against penalty of ₹ 0.13 crore @ 10% of the Tendered Cost to be levied towards delay in completion of works, no penalty has been withheld.	Final EOT given without penalty up to 29.11.2017. However, hindrances are recorded only for 1432 days, thus justified extension up to 24.03.2017 only. The work was actually completed on 29.11.2017 with a further delay of 250 days for which no hindrance was recorded.	0.13
4.	Providing and laying 280-710mm internal/peripheral sewer line in colonies of the constituencies' part of Karawal Nagar, part of Mustafabad and Part of Gokul Pur in Subzone no.2 of Zone II Yamuna Vihar STP catchment area (DR-XI)	SDOC: 02.10.17 and ADOC: WIP. Payment of ₹ 82.83 crore made against tendered cost of ₹ 116.97 crore. Against penalty of ₹ 11.70 crore @ 10% of the Tendered Cost to be levied towards delay in completion of works, penalty of ₹ 0.83 crore withheld.	A provisional EOT of 312 days has been given up to 10.08.2018. The work was in progress as of September 2018. However, as per the 33 rd RA bill dated 26.06.18 submitted by the contractor, the work completed was only 70%.	10.87 (11.70 - 0.83)
5.	Providing and laying 280mm outer dia to 800mm inner dia internal sewer line in colonies of Dallupura, Dallupura Extn., Durga Park, Gharoli, Gharoli Dairy Farm, Gharoli Extn. Abadi Kondli (A to F blocks), Kondli Extn., Sapera Basti, Rajbir Colony and New Ashok Nagar in Kondli STP catchment area (DR-VIII)	SDOC: 18.09.16 and ADOC: 30.04.2018. Payment of ₹ 35.06 crore made against tendered cost of ₹ 36.18 crore. Against penalty of ₹ 3.62 crore @ 10% of the Tendered Cost to be levied towards delay in completion of works, penalty of ₹ 1.22 crore withheld.	The work actually completed with a delay of 577 days, the matter of grant of EOT was under process.	2.40 (3.62 - 1.22)

Sl. No.	Name of Work and Division	Status of the work	Remarks	Non-levy/short levy of Penalty
6.	Supply, installation, testing and commissioning of E&M equipment at Haiderpur Water Works No.1 for Kirari Booster Pumping Station	SDOC: 03.02.2013 and ADOC: 15.07.2013. Payment of ₹ 4 crore made against tendered cost of ₹ 4.03 crore. Against penalty of ₹ 0.30 crore @ 10% of the Tendered Cost to be levied towards delay in completion of works, penalty of ₹ 0.03 crore withheld.	The work was actually completed with a delay of 162 days, of which 161 days were attributable to the contractor on account of delay in supply of equipment. The penalty was however, levied only for 15 days @ 0.75%.	0.27 (0.30 - 0.03)
7.	Improvement and Revamping of Existing Water Supply, Transmission and Distribution Network under the Command Area of Nangloi Water Treatment Plant, Delhi” under PPP mode- Rehabilitation of raw water mains	SDOC: 22.03.2015 and ADOC: WIP. Payment of ₹9.03 crore made against tendered cost of ₹ 7.51 crore. No Penalty was withheld towards delay in completion of work of 850 days	A hindrance of 850 days has been recorded which takes the justified extension to 18 July 2017 from stipulated date of completion of 22 March 2015. However, DJB has given provisional extension of time up to 28 August 2018 and that too, without imposing any penalty. This resulted in non-levy of liquidated damages of ₹ 2.97 crores for unjustified delay in completion of work of 406 days.	2.97
8.	Improvement and Revamping of Existing Water Supply, Transmission and Distribution Network under the Command Area of Nangloi Water Treatment Plant, Delhi” under PPP mode- Rehabilitation of existing distribution network (Phase-I) and extension of network to no network areas (Phase-II)	Phase-I:- SDOC: 22.03.2016 and ADOC: WIP. No Penalty withheld towards delay in completion of works of 881 days. Phase-II:- SDOC: 22.09.2017 and ADOC: WIP. No Penalty withheld towards delay in completion of works of 159 days. Payment of ₹ 119.44 crore was made against tendered cost of ₹ 204.96 crore for Phase-I and II.	Audit observed that hindrance of 881 days for Phase-I work and 159 days for Phase-II work have been recorded which take the justified extension up to 20 August 2018 and 01 March 2018 from stipulated date of completion of 22 March 2016 and 22 September 2017 respectively. However, DJB has given provisional extension of time up to 22 October 2018 and 15 May 2019 respectively, that too, without imposing any penalty. This has resulted in non-levy of liquidated damages of ₹ 2.08 crore and ₹ 2.97 crore for unjustified delay in completion of work of 63 days and 441 days for Phase-I and Phase-II respectively.	5.05
			Total	31.70

Appendix 2.8
Release of payment for water pipe lines without hydraulic testing
(Referred to in Paragraph 2.1.10.3)

(₹ in crore)

Sl.No.	Division	No. of works	Amount released
1.	DR-IX	8	2.27
2.	SW-II	13	0.24
		21	2.51

Appendix 2.9
Pre-mature release of security deposits
(Referred to in Paragraph 2.1.10.3)

(₹ in lakh)

Sl.No.	Work Order No.	Name of Work	Date of Completion of work	End of DLP	Date of release of SD	SD Amount released
1	01 (2016-17)	Rajeev Nagar Extn.	05.08.2016	05.08.2020	18.09.2017	2.20
2	90 (2015-16)	Meer Vihar	02.09.2016	02.09.2020	31.03.2018	2.45
3	65 (2015-16)	Upkar Vihar	12.04.2016	12.04.2020	19.08.2017	1.62
4	63 (2015-16)	Sher Singh Enclave	29.04.2016	29.04.2020	31.03.2018	1.06
5	74 (2015-16)	Yogiraj Puram J&A blocks	04.03.2016	04.03.2020	19.08.2017	1.17
6	64 (2015-16)	Jain Nagar Extn.	28.04.2016	28.04.2020	31.03.2018	1.72
7	54 (2015-16)	Bhagaya Vihar Ph.II	06.04.2016	06.04.2020	31.03.2018	0.78
8	91 (2015-16)	Mahavir Vihar, Kanjhawala	19.09.2016	19.09.2020	31.03.2018	3.06
9	55 (2015-16)	Yogiraj Puram	06.04.2016	06.04.2020	31.03.2018	1.02
10	51 (2015-16)	Louise Braille Vihar	03.02.2016	03.02.2020	19.08.2017	0.48
11	97 (2015-16)	Sukhbir Nagar	28.07.2016	28.07.2020	18.09.2017	4.34
12	52 (2015-16)	Tirthankar Nagar	07.04.2016	07.04.2020	19.08.2017	0.52
13	98 (2015-16)	Rupali Enclave	26.07.2016	26.07.2020	08.09.2017	4.39
Total						24.81

Appendix 2.10

Division-wise details of works in which inspections were not conducted (Referred to in Paragraph 2.1.12.2)

(₹ in crore)

Sl.No.	Division	Period of execution of work	No. of works	Total value of work done
1.	North-I	3/16-3/18	4	5.84
2.	South-III	1/15-3/18	7	2.15
3.	DR-IX	3/13-7/16	8	11.37
4.	NE-II	11/14-3/18	18	9.77
5.	SR-II	5/13-3/18	4	208.06
Total			41	237.19

Appendix 2.11

Division-wise details of works in which third-party inspections were not conducted (Referred to in Paragraph 2.1.12.2)

Sl.No.	Division	No. of Works	Range of award	Remarks
1.	North-I	32	27-53 % below EC	No third party inspection done
2.	DR-IX	1	32% below EC	-do-
3.	NE-II	3	32-43% below EC	-do-
4.	SW-II	4	28-40% below EC	-do-
Total		40		

Appendix 2.12
List of works in which Work Programme Schedule was not submitted
(Referred to in Paragraph 2.1.12.3)

Sl. No.		Name of works	Amount of work awarded (₹ in crore)	Delay in days in submission of WPS	Amount of penalty to be recovered (₹ in crore)	Delay in completion of work in days
North-I Division						
1	1	Providing/Laying (P/L) waterline in Pradhan Enclave, Burari	1.20	192	0.02	--
2	2	P/L waterline in I.P.Colony, Burari	1.10	181	0.02	30
3	3	P/L water distribution system in Kaushik Enclave and Nathu Colony Burari	2.37	697	0.07	372
4	4	P/L water distribution network in Jagatpuri in Burari	1.42	315	0.03	28
DR-XIV Division						
5	1	P/L sewerline in Sai Baba Enclave, Deep Vihar, Laxmi Garden, Najafgarh	16.84	917	0.09	356
6	2	P/L sewerline in F&D block Mahavirenclave, Kailashpuri, Sagarpur and Durga Park in Dwarka	58.92	1,095	0.11	270
7	3	P/L sewerline in Vijay Enclave, Mahabir Vihar, Bengali Colony in Palam	38.21	1,222	0.12	307
DR-IX Division						
8	1	P/L sewerline in New Shanti Mohalla Extension, Seelampur, Shahdara	1.08	329	0.03	-
9	2	P/L internal sewerline in Rani Garden in Kondali	1.49	308	0.03	-
10	3	P/L internal and peripheral sewerline in West Joyatinagar under West Yamuna Vihar	1.58	320	0.03	-
11	4	P/L sewerline in Buland Masjid under Yamuna Vihar	2.09	280	0.03	-
12	5	P/L sewerline in Ashok Vihar under Yamuna Vihar	5.07	532	0.05	240
DR-XII Division						
13	1	P/L sewerline in new Shanti Mohalla Extension, Seelampur, Shahdara	111.87	1,405	0.14	1,185
NE-II Division						
14	1	P/L water supply distribution network in Chanderpuri Vihar under Karawal Nagar	1.34	293	0.03	153
15	2	P/L water supply distribution network in Ram colony, Rajeev Nagar under Karawal Nagar	3.89	401	0.04	45
16	3	P/L water supply distribution network in Shahbadpur Extension under Karawal Nagar	3.56	611	0.06	252
17	4	P/L water supply distribution network in Shiv Vihar, Mustafabad under Karawal Nagar	1.25	416	0.04	150
18	5	P/L water supply distribution network in O&P Colony, Mustafabad under	1.05	404	0.04	137

Sl. No.		Name of works	Amount of work awarded (₹ in crore)	Delay in days in submission of WPS	Amount of penalty to be recovered (₹ in crore)	Delay in completion of work in days
		Karawal Nagar				
SR-II Division						
19	1	P/L sewerline in Mohan Garden Group of Colonies (GOC)outfalling into Interceptor Sewer under Nilothi Waste Water Treatment Plant	228.40	1,771	0.18	730
20	2	P/L sewerline in Sitapuri and Chankyapuri Part II, Dwarka	8.80	224	0.02	210
21	3	P/L sewerline in Bindapur GOC underDwarka	35.66	1,641	0.16	1095
22	4	P/L sewerline in Rajdhanipark GOC under Rithala	15.05	1,187	0.12	865
23	5	P/L sewerline in Bhupender Singh Nagar GOC under Keshopur	3.01	226	0.02	150
SW-II Division						
24	1	P/L water supply distribution network in Dabur Enclave in Najafgarh	2.36	669	0.07	485
25	2	P/L water supply distribution network in Bharat Vihar, Matiyala	1.53	271	0.03	90
26	3	P/L water supply distribution network in Kutub Vihar, Matiyala	5.14	462	0.05	270
27	4	P/L water supply distribution network in Kutub Vihar Phase II,Matiyala	1.83	462	0.05	270
DR-XI Division						
28	1	Providing / Laying 280mm dia to 500 mm dia HDPE internal sewer line in Ganesh Nagar, Pandav Nagar Complex, Shahdara	2.82	673	0.07	209
DR-III Division						
29	1	Providing and layin 280 mm to 1100 mm dia internal and peripheral sewer line in Samaypur group of colonies	84.99	1,332	0.13	770
30	2	Providing and laying 280mm dia to 630 mm nominal dia internal and peripheral sewer line in Kureni group of colonies	34.25	1,481	0.15	1,140
31	3	Providing sewerage facility in Raja Vihar unauthorized colony in C-Rohini-c/o SPS and R/main	1.32	1,857	0.19	1,662
DR-VIII Division						
32	1	Providing and laying 280 mm dia to 500 mm dia internal and peripheral sewer line in Kardam Puri, Kardam Puri Extension and Harijan Basti, West Jyoti Nagar in BabarPur	4.64	365	0.04	-
33	2	P/L 280 mm dia internal sewer line with HDPE pipe in E-Block West Vinod Nagar	1.53	255	0.02	-
34	3	P/L 280mm outer dia to 800 mm inter dia internal sewer line in colonies of Dallu Pura, Dallu Pura Extension, Durga Park, Gharoli, Gharoli Dairy Farm, Gharoli Extension -Abadi Area , Kondli (A to F Blocks), Kondli Extension, Sapera Basti, Rajbir Colony	36.18	1,658	0.17	604

Sl. No.		Name of works	Amount of work awarded (₹ in crore)	Delay in days in submission of WPS	Amount of penalty to be recovered (₹ in crore)	Delay in completion of work in days
		and New Ashok Nagar .				
35	4	P/L internal sewer line in Chander Vihar Mandawali, Fazalpur	2.49	732	0.07	-
36	5	P/L 280mm outer diameter to 710mm outer diameter internal sewer line in colony of West Vinod Nagar	5.13	917	0.09	183
			729.46		2.61	

Appendix 3.5.1
Year-wise details of Cess collection and expenditure
(Referred to in Paragraph 3.5)

(₹ in crore)

Year	Cess collected	Administrative expenditure	Welfare expenditure	Total expenditure	Total expenditure as a percentage of cess collected
2009-10	202.68	0.21	25.51	25.72	12.70
2010-11	201.84	0.63	0.27	0.90	0.45
2011-12	148.92	1.46	1.19	2.65	1.78
2012-13	157.39	1.60	9.67	11.27	7.16
2013-14	182.31	2.64	0.29	2.94	1.61
2014-15	253.00	2.14	1.79	3.93	1.56
2015-16	208.07	2.18	22.04	24.22	11.64
2016-17	185.65	3.02	19.42	22.44	12.08
2017-18	199.20	3.99	72.54	76.53	38.42

Appendix 3.8.1

Details of excess payment to consultant
(Referred to in Paragraph 3.8.3.1 (vi))

(₹ in lakh)

Name of work (Site of construction and Dwelling Units)	Rate of consultancy fee	Preliminary/ Detailed Estimates	Number of DUs after revision	Cost of work done	Actual fee Paid	Fee payable	Excess payment
PoothKhurd, Phase-I (6480 Dwelling Units)	1.20%	18,110.70	3,840	15,491.30	224.30	185.90	38.40
PoothKhurd, Phase-II (4560 Dwelling Units)	1.20%	12,407.50	4,560	4,617.92	95.00	55.42	39.58
PoothKhurd, Phase-III (7720 Dwelling Units)	1.20%	21,424.76	6,600	16,028.32	210.28	192.34	17.94
Tikri Kalan (5740 Dwelling Units)	1.10%	27,025.62	5,740	13,586.87	200.57	149.46	51.11
Total							147.04

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